



**School of Economics, Business
Administration and Legal Studies
Dissertation Cover Form**

Student ID: 1105130003

Intake: October 2014

Subject: Integrating sustainable practices in Thessaloniki's five star hotels: A managerial perspective

Title of work: Integrating sustainable practices in Thessaloniki's five star hotels: A managerial perspective

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Submission date: 28/02/2015

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Abstract

Bruntland Commission defines sustainable development as “the development that meets the needs of the present without compromising future generations to meet their own needs.” In the recent years there is an emerging need for administration of sustainability practices in a wide range of businesses around the world.

The aim of this dissertation was to point out the integrated sustainable practices in the operations of five star hotels in the city of Thessaloniki, Greece from the perspective of the managers. For the purposes of the study, questionnaires were distributed to all (n=12) five star hotels of the area. Nine willingly participated in the research, providing a consistent and acceptable sample.

High awareness of the administrated sustainability practices, characterized the managers of the hotels. Implementation, or intention of doing so, of economic, environmental and societal practices in the everyday operations of their units, dominated their answers. The goal was the greater efficiency and the enhancement of their customers’ loyalty. Despite the fact that these practices seem to financially benefit their businesses in the long run, an unexpected result came up. Approximately half of the managers responded that they do not provide their personnel with the appropriate training in order to support sustainable development practices, leading to reasonable consequences to the businesses’ philosophy and its financial situation, given the current economic status of the country.

To sum up, five star hotels already have the willingness and the perspectives to contribute to the economic, environmental and social development of Thessaloniki.

These two factors however; are not enough to improve the existing situation. It is the managers’ responsibility to allocate their resources efficiently and effectively in order to respond to the upcoming scheme of sustainable development, despite the current economic stringency.

1. Introduction

In the 21st century, the questions of whether, when and how the global actors will adapt to the transitions caused by grave environmental problems and the climate change, have become crucial in the discussions concerning the future of our planet.

Major institutions, international organizations, big incorporations and all kinds of hospitality businesses (ranging from small enterprises to multinational companies) have realized their important role in initiating the process of adaptation to the new developments and have actively engaged in several practices, which aim both the sustainability of the organization and its environment. During the implementation of these processes the majority of touristic businesses have realized that keeping sustainability on their own environment through development progression is inadequate deficient (United Nations, 2013). Sustainability towards the environment, either the physical one surrounding the enterprise or the social one of the community, is also required.

Consequently, a need for a new function has arisen in order to cope with the emerging issue of the preservation and the respect of the environment forcing companies to develop practices able to deal with this rising trend. This has led to the establishment of the term of sustainable development and its principles, which characterize the simultaneous advancement, and amelioration of the environment, the society and the economy, as three pillars of equal significance. Multiple commissions, conferences and conventions have laid down these principles (United Nations, 1987) (ISSD, 2012). Every human and business activity is influenced by the requirements of the new status quo. Every industry has to deal with great changes in matters of functionality in order to ensure its profitability and long-term viability, as well as a reduction in the negative impacts on the environment and the society. One of the biggest industries with huge economic, social and environmental consequences is the tourism one that has to adapt to the new expanding issues of pollution, global warming and the depletion of the planet's natural resources (García, Vázquez, Macías, 2015).

During the last decades, tourism in general, and hotel tourism in particular, is characterized by an increasing number of businesses trying to integrate ecological practices in their operations and eventually turn to sustainability. This transition is often achieved thanks to the societal demand for more “green” companies and is followed by an arising target-group of people, who prefer companies, which implement several eco-friendly practices. Moreover, environmental and social demands from local stakeholders and shareholders are further contributing to the pressure acted on hotel companies to consider sustainability issues more sincerely. However, the greatest challenge is to prove their already existing contribution to the society and the environment without compromising the possibility for continuously delivered advancements for future generations. In the short run, practices that include sustainability in a company might help managers adjusting their business strategy and meeting the basic sustainability challenges, whereas in the long run, these implemented practices have a positive impact towards community and society as a whole. Consequently, the increasing demand for eco-friendly tourism has created a new type of it, referred to as eco-tourism, or “sustainable tourism”.

Sustainable tourism was the term that dominated on the conflict of environmentally integrated tourism expansion, as this rapidly developing sector of the economy can no longer be disregarded (Hunter and Green, 1995). Sometime ago, plenty of concepts existed in order to evaluate the consequences of tourism activity on the environment, by conducting Environmental Impact Assessments (EIA) or even by realizing which levels of pollution can be tolerated. However, even these techniques are strictly limited in the local environment of the business and do not include the global consequences of tourism as a whole.

Thus, every single tourism entity, ranging from small touristic businesses to multinational five-star hotel chains, has the obligation of protecting the environment. This is the reason why all businesses that have to directly or indirectly deal with tourism, should integrate environmental-friendly practices to their operations, in order to improve their Corporate Social Responsibility, differentiate from their general competition and be promoted as “sustainable” business, as well as truly and sincerely contribute to the fortification of the environment and its priceless value.

This thesis focuses on the integration of sustainable practices in the operations of five star hotels in Greece, particularly in the city of Thessaloniki. More particularly it focuses on the awareness of the executives about the issue of sustainability and its collaboration both with its internal and external environment. Moreover, this dissertation investigates the perception that hotel managers have about their contribution in the development of their surrounding region and the implementation of measures that enhance the performance of their five star hotel units.

Furthermore, the hotel executives' opinions concerning this transition towards sustainability are being investigated, as well as whether this transition eventually benefitted their hotel businesses.

Finally, the problems they faced during this transition and the means with which they decide to make known to the general public these efforts are also inspected.

2. Literature Review

2.1. The tourism Sector

Generally, people have the tendency of using the term “travel”, when referring literally to tourism. According to the United Nations World Tourism Organization (U.N.W.T.O.), tourism comprises of all the actions of people, who travel and stay at one place, besides their conventional environment for a certain period, for leisure, professional and other purposes, which have nothing in common with any kind of work in the destination (UNWTO, 2014). It is one of the most rapidly evolving sectors of the international economy and has experienced a certain amount of diversities over the centuries.

In the past, only wealthy families had the chance of travelling to a foreign country, due to the high cost and the primitive level of transport means. Nowadays, the continuous advance of technology and the vast competition between the companies, made travelling more affordable than it used to.

The leading international agency in the sector of hospitality and tourism is the U.N.W.T.O., which plays a crucial role in promoting the development of responsible, sustainable and more accessible tourism. This organization promotes tourism as a tool of “economic growth, inclusive development and environmental sustainability” by advancing tourism awareness and policy all around the globe. Its central aim is to contribute to the economic development, the world peace and other fundamental policies, under the auspices of the Global Code of Ethics in Tourism (UNWTO, 2014), always in agreement with the United Nations Millennium Goals (MDs) (United Nations, 2014).

Through tourism, U.N.W.T.O provides prosperity to the society and aims at stimulating economic growth and job establishment, by providing incentives for the general protection of the environment and the preservation of the cultural heritage of a specific area or even destination (UNWTO, 2014).

The World Tourism Organization identifies that the tourism industry has the following characteristics and peculiarities:

- It is a 24-hour-a-day, 7-day-a-week, 52-week-a-year economic driver
- Responsible for 9 percent of the World Gross Domestic Product (W.G.D.P.) directly or indirectly
- Employer of 1 out of 11 employees directly or indirectly
- Continual increase in numbers. Since 1950 international tourism has increased from 25 million to 1,087 billion in 2013 (UNWTO, 2014).

Tourism is the world's greatest collection of industries and is a dynamic, evolving and consumer driven force, when all its components (transportation, accommodation, meeting, events, services, restaurants, and destination management) are put together under one umbrella.

The umbrella of tourism is highly interdependent on its economic, social and environmental domains, since touristic activity influences its surroundings and has direct or indirect impacts on them. Tourism is a never-ending all-type waste producer, since its operations demand the constant consumption of several types of products; for instance the fuel that is needed for the means of transport to reach a destination produces CO₂ emissions, which are responsible for the climate change and the phenomenon of global warming, the so called "greenhouse effect", same as the "cost" of construction of tourism infrastructure to facilitate the demand produces several environmental, social and economical consequences not only to the construction area, but also to the entire community.

Tourism activity generates considerable positive and negative environmental, societal and economic impacts, since tourism "consumes" resources in proper and improper means. It has the ability either to enhance a destination's dynamics by retaining its culture or to transform it into a concrete jungle, which has little to remind the locals of what was like before. There are several paradigms for the best practiced tourism activity, such as Istanbul, which developed considerable tourism activity and protected its culture and ethics, and the worst-implemented practices, such as Venice, which due to fast-growing demand of tourism and cruises lost its original identity.

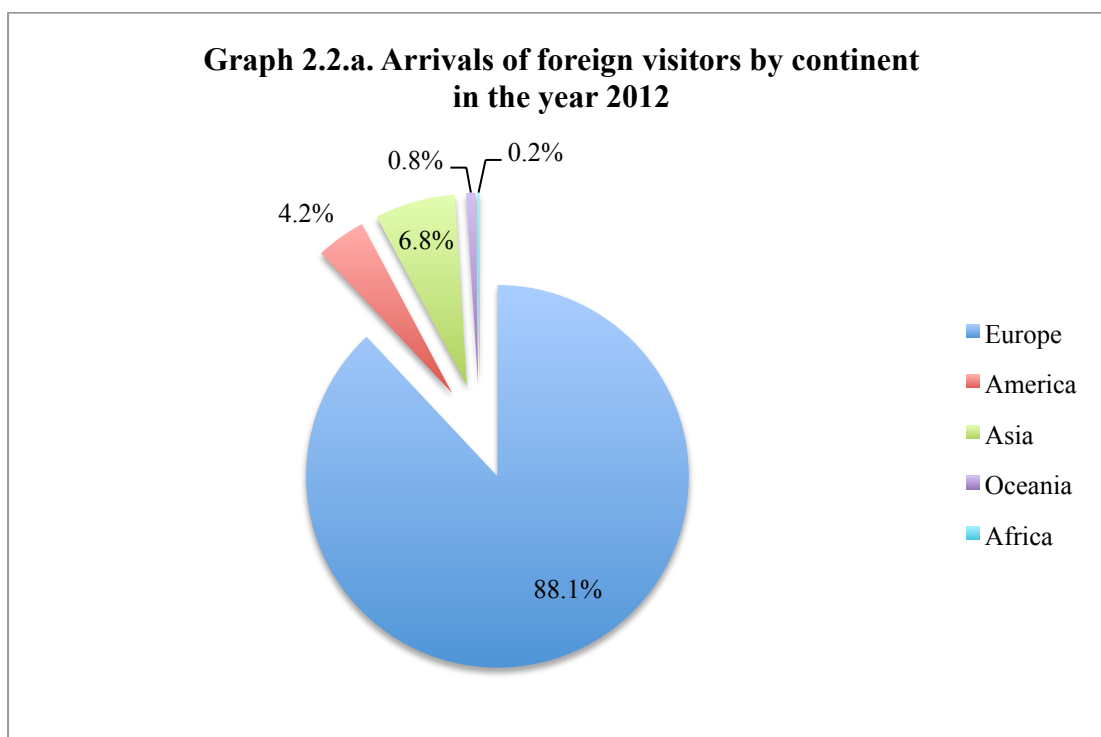
Due to the heterogeneity of people's habits and their culture, tourism has been divided in several types with each and every one having its own components and target group. On the one hand, there stand types of tourism that stimulate "tourism-traffic" in the destination and exhaust its natural resources and on the other hand types of tourism, such as the alternative or the sustainable one, which aim in the protection of the natural environment and the local identity and contribute considerably in the preservation of natural resources. Alternative types of tourism are more friendly and direct towards the tourist, in contrast to other, such as massive tourism, which has a considerable contribution to the global warming issue, leaving its carbon footprint to the environment in several ways (transportation, energy and water usage, waste production etc.). In comparison to other "heavy" industries (energy, chemicals, cement etc.), tourism is a friendly industry towards the environment, but on the other hand has contradictory effects on the quality of the air and the water and has both direct and indirect impact on the natural habitats of a region.

Nevertheless, tourism has considerable effects on the society, as in order to have tourism activity, society is one of its "key ingredients". On the contrary, tourism development raises the living standard of the ambient community, by attracting investments and creating more career opportunities, due to its increasing demand; however, its seasonality encourages immigrant manpower and temporary unemployment. It has been observed that besides the advantages of the development of tourism activity for a community, tourism also boosts crime as well as prostitution, both comprising serious drawbacks.

Last but not least, tourism operations can provoke extensive and at the same time excessive economic outcomes in the state level, since tourism generates income for the national economy through taxation and big investments in start-up businesses and expands the development even in remote locations. Nonetheless, tourism development will possibly lead to inflation; increase in housing prices and enlargement of the economic susceptibility of an effected area.

2.2. The Tourism Sector in Greece

The cultural heritage, the huge coastline and its natural beauty provide Greece with significant competitive advantages, which explain why Greece is among the most preferable tourism destinations worldwide (SETE, 2014). The basic characteristic of the Greek “product” is the strategic geographical position, with most of its international tourism coming from European countries, and from other countries as well (Graphs 2.2.a and 2.2.b). It is obvious that during the last years there has not been a significant variation in the numbers of the incoming tourists.

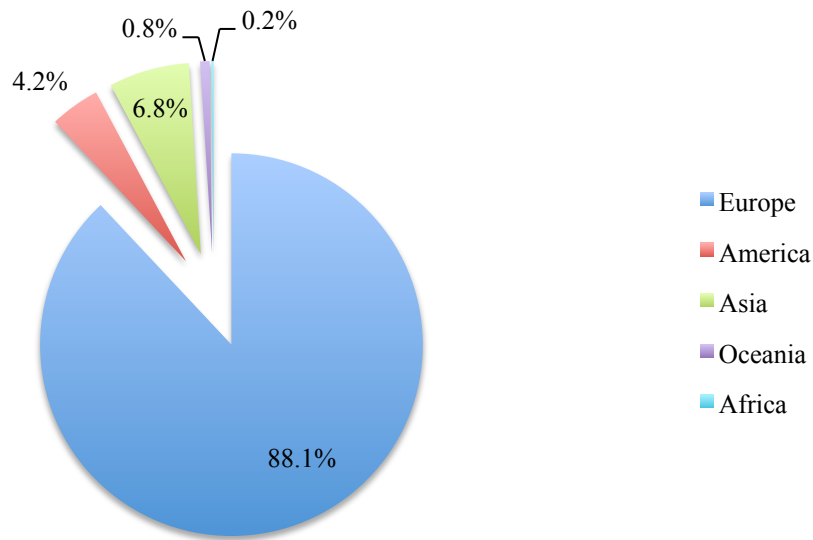


Source: SETE. **Available on:**

[http://sete.gr/_fileuploads/entries/Statistics/Greece/International%20Tourist%20Arrivals%20\(Non-Residents\)/catID51/GR/140425_Afikseis%20mi%20katoikon%20kata%20xora%20prolefsis_Jan-Dec2013-2012.pdf](http://sete.gr/_fileuploads/entries/Statistics/Greece/International%20Tourist%20Arrivals%20(Non-Residents)/catID51/GR/140425_Afikseis%20mi%20katoikon%20kata%20xora%20prolefsis_Jan-Dec2013-2012.pdf)

It is obvious from the graph 2.2.a that the vast majority of the arrivals of foreign visitors (89.3 percent) in the year 2012, comes from Europe, leaving Asia far behind in the second place with only 6 per cent. The contribution of American, African and Oceania visitors is 3.6, 0.2 and 0.9 percent accordingly.

Graph 2.2.a. Arrivals of foreign visitors by continent in the year 2013

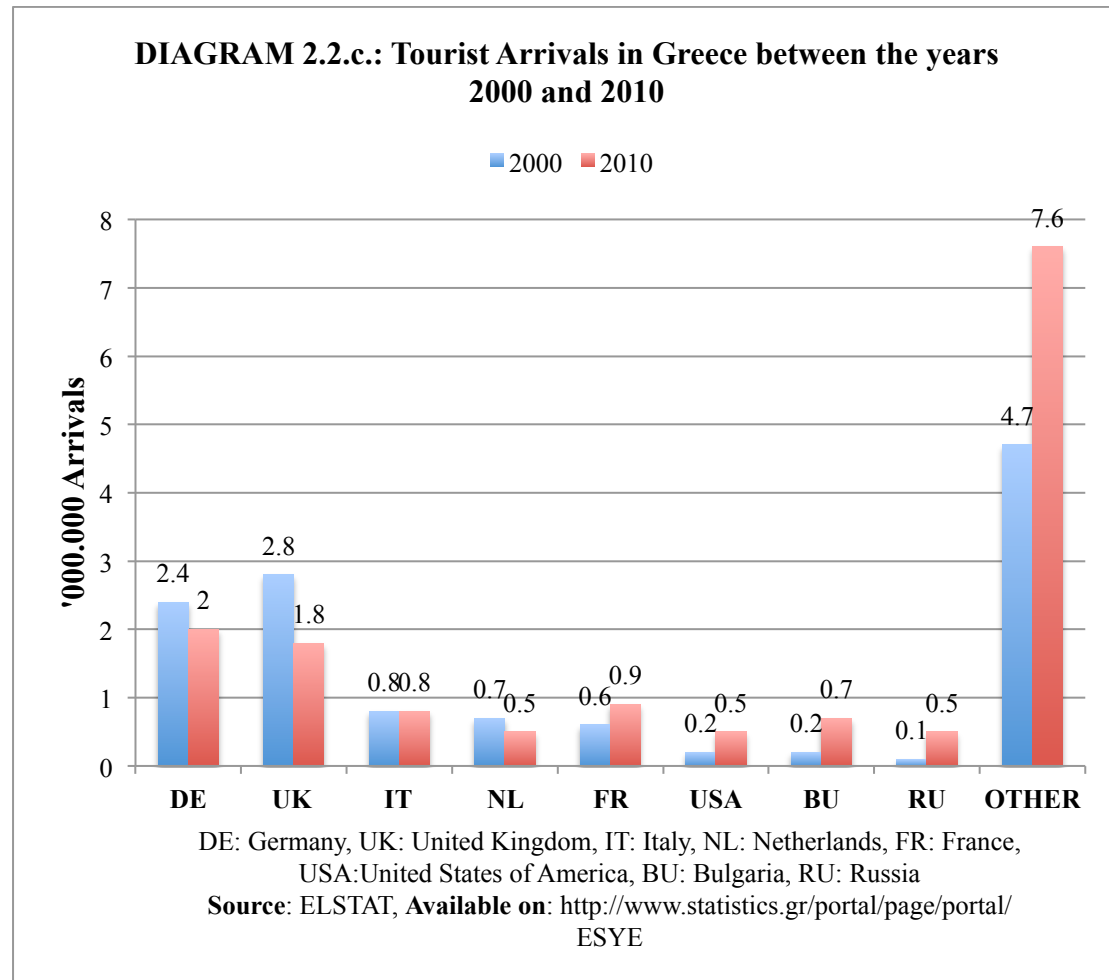


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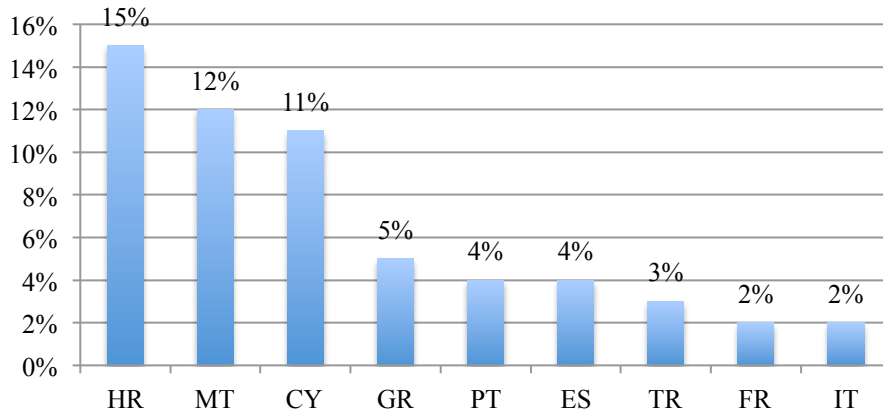
On a country level, Germany and the United Kingdom are the overtime-traditional markets, from which originates the greatest number of foreign visitors, in spite of the decline appeared in their market share lastly. Indicatively, in 2010 the percentage of these countries was 14 percent and 12 percent of total arrivals respectively, while in the year 2000 touched the rates of 19 percent and 22 percent respectively. In the previous years, there are many emerging markets, from which Greece attracts a considerable amount of visitors. These countries are represented by Russia and many neighboring Balkan countries, such as Romania, Serbia and Bulgaria (Diagram 2.2.c). More specifically, arrivals from Russia are characterized by a noteworthy development in the recent years (average growth rate 20 percent during the period 2005-2010), contributing in the tourism income of the country, since the average expenditure of Russian visitors is almost double in comparison with the average of the total of the rest of the visitors (Research Institute for Tourism, 2013). On the other

hand, there is a small number of visitors from Asian countries, such as Japan and China, fact which proves the existence of other markets, from which Greece could benefit and focus its target campaign on the future.



It is essential for hospitality businesses to know the origin of their customers, in order to customize their product or services and train their human resources accordingly. Different culture, religion, spending habits and so on affect trades followed by hotels. The contribution of the tourism in the Greek economy is depicted in the income obtained by the tourism sector (the expenditure of foreign visitors during their stay in Greece), which represents 5 percent (average of the years 2005-2010) of the Gross Domestic Product, an analogy which is higher in comparison to other tourism-developed countries of the Mediterranean, such as Spain and Turkey (Diagram 2.2.d.).

Diagram 2.2.d. Tourism receipts in the Mediterranean as % of the G.D.P.
Average: 2005-2010

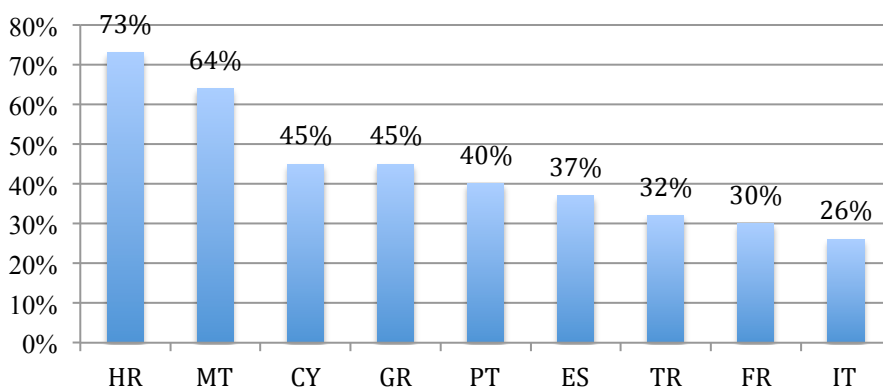


HR: Croatia, MT: Malta, CY: Cyprus, PT: Portugal, ES: Spain,
TR: Turkey, FR: France, IT: Italy

Source: Eurostat, Available on: <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>

In the diagram 2.2.d it is clear that the majority of the tourism receipts in the Mediterranean as a percentage of the Gross Domestic Product comes from Croatia, Malta and Cyprus and the least from Italy, France and Turkey.

Chart 2.2.e. Tourism receipts in the Mediterranean as % of the receipts of the Balance of Services
Average: 2005-2010

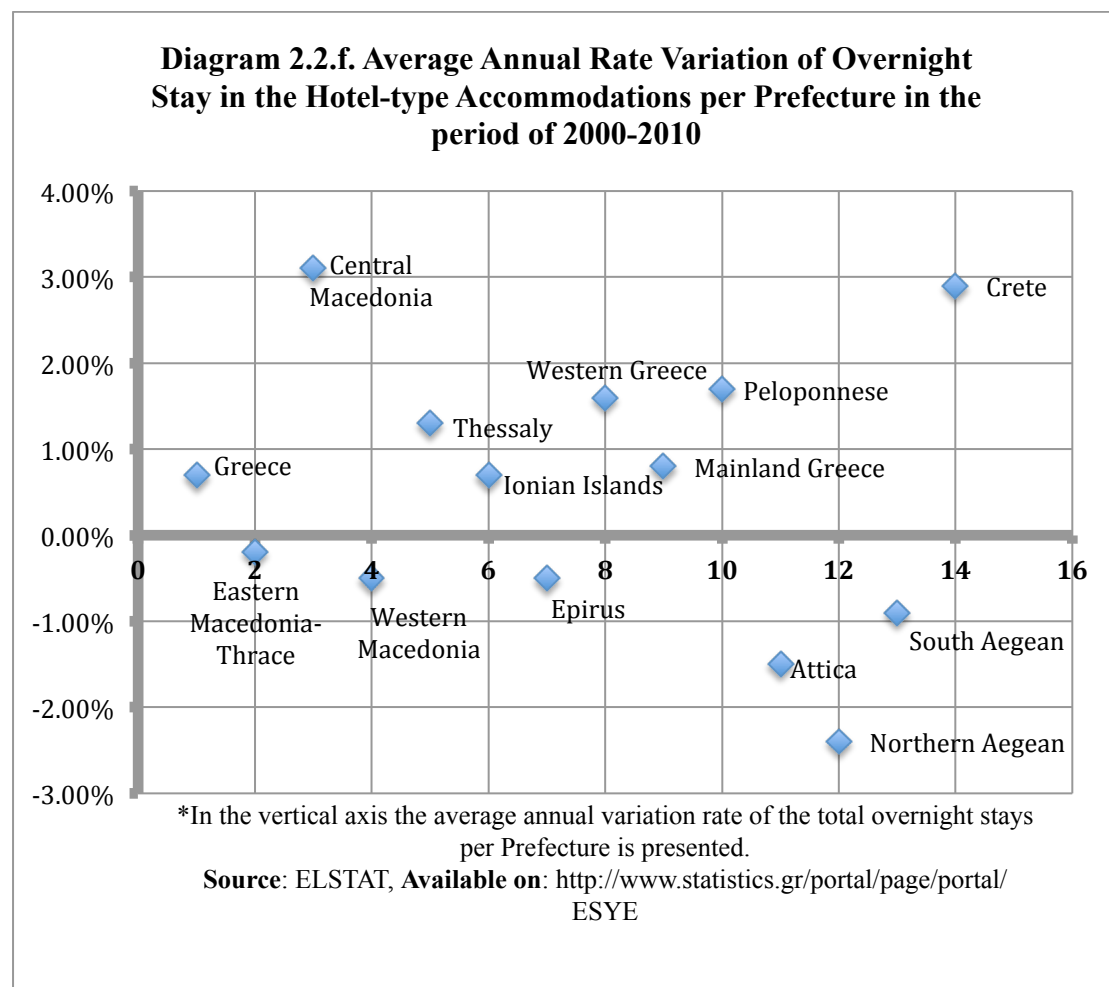


HR: Croatia, MT: Malta, CY: Cyprus, PT: Portugal, ES: Spain,
TR: Turkey, FR: France, IT: Italy

Source: Eurostat, Available on: <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>

Respectively, the revenues from the incoming tourism in Greece exceed 1/3 of the total collection of the balance of services (an analogy corresponding almost to the Italian one), a fact that contributes drastically in the decrease of the deficit of the current accounts (Diagram 2.2.e.).

On the other hand, in a prefectural level, there are important differences in the tourism product and at the same time in the dynamics that have been developed in the last decade. According to overnight stays in hotels and camping sites, the biggest percentage is recorded in Crete and the Southern Aegean, region that is included among the Prefectures with the biggest analogy of nights per visitor. The tourism demand in certain regions of the country is characterized by an increased ratio. Remarkable examples of this tendency (besides Crete and South Aegean) are the regions of Ionian Islands and Central Macedonia (Diagram 2.2.f.).



In contradiction, regions with respective natural beauty, such as the Northern Aegean, Epirus and Thrace, appear to have a smaller number of overnights, which should be taken into account from the State for future utilization.

2.3. The Hotel Sector

Hotels play a major and decisive role in the tourism growth of the countries all around the globe. Up to a certain point their significance is obvious, given the fact that if there are no hotels in a region, tourism operations cannot be developed at an appropriate level, despite the existence of small businesses, which may provide accommodation in a small extent.

Furthermore, hotels do not accommodate only tourists, but also professionals, students, patients, marines and so on. Even if hotels do not limit their operations only in the service of the tourists, the majority of their financial effectiveness is directly dependent on the tourism movement. Additionally, hotels can be used as a permanent residence by a respectable amount of people.

Hotels often do not have the ability of independently operating but they are part of a long value-chain with big clients in many industries and enterprises in market chain, from which they are supplied with all kinds of amenities and resources (petrol, gas, furniture, vessel, appliances, sheets, food, drinks). During this process they contribute to the economic development of other businesses in a society and more generally in lots of other sectors of the national economy.

Besides its significant contribution to the reduction of unemployment in a country, this sector plays a major role in the regional development and in the prevention of the urbanism and the migration by attracting large investments that improve the well being of the area (Samuel V., 1994) Hotel employment has on the one hand the crucial ability to provide wealth to its employees, by making use of local human resources, but on the other hand these employment schemes (which schemes?) have the major drawback of seasonality and sexual discrimination. It is frequent nowadays a higher number of female employees hired in the tourism businesses. A phenomenon, which makes it difficult for certain employees to cope with their

expenditure and as a result to struggle getting another job due to the severe economic situation of the country. Needless to mention the problems faced by employers concerning organization of personnel training programs, as well as the general corporate culture, forcing an annual seasonality of hiring and firing employees (R.W.Butler, 2001).

Hotels provide principally services, which benefit society in various ways, since beyond conventional tourism; guests are served with health, professional, athletic and many other activities. Hotels' first and foremost priority is to accommodate anyone in need followed by supplying of other amenities.

The hospitality sector not only contributes to the treatment of the ones who stay in its facilities, but provides numerous other operations that entertain people, facilitate social events (weddings, family gatherings etc.). Hotels offer their halls and rooms quite often for cultural purposes, such as painting or photography exhibitions, conferences and many other events, among which dancing nights and artist's exhibitions can be found. Consequently, contribution to the cultural development of a region is achieved.

As a result, hotels incorporate a meeting point for many different people, trade of opinions and ideas and have the lion's share in the enlargement of the universal cultural exchange.

Hotel tourism businesses are divided into two major categories, which are further constituted by several subcategories (Eythimiatoy – Poylakoy, 1994):

- i. Major Hotel Accommodations
- ii. Non-Major Hotel Accommodations

i. Major Hotel Accommodations

This category consists of the businesses, which operate in urban or rural areas and provide their guests with means of accommodation, nutrition and entertainment. Major hotel accommodations are divided into luxury hotels, A, B, C, D and E category, each of these has its own characteristics, which differ from one category to

the other. For example the E category hotels are mostly rooms with basic furniture, two rooms and a stove, the D and C category hotels are typically furnished rooms or small motels, which are located in cities and serve seasonal tourists, who are for the most part young travellers and couples. Lastly, there are the B, A and luxury hotels, which besides the basic services of accommodation provide its guests with several recreational areas and other various amenities.

Apart from these major categories, there are other forms of shelter that could be included in more than one of the aforementioned categories. For example the snow centers that provide shelter could be included in the C, B and A category and airport hotels that serve professional clients in the B and A category. Furthermore, guesthouses (hostels) offer a more thrifty solution to travelers and could be included in categories E, D and C and bungalows, which are small apartments, forming an accommodation cluster, could be included in the D and C category as well.

ii. Non-Major Hotel Accommodations

This particular group of hospitality accommodation consists of a number of different tourism lodging services among which stand (free) camping sites, rental accommodations, pensions and mobile hotels. The question that arises though concerns the “definition” and functionality of these. To begin with, (free) camping sites give the opportunity to the guests of staying in their own tent and feeling part of nature. Rental accommodations on the other hand, are characterized as low cost shelter, which most of the times is part of the owner’s private house. Pensions provide low quality as long as low-cost lodging and are not capable of covering even basic services to the guests. Moreover mobile hotels consist of cruise ships, rails, large buses and airplanes, all of which are commonly luxurious, exclusive and expensive.

Different criteria used, divide the hotel sector in further categories. As an example, hotels according to their period of operations are divided in continuously and seasonally operating, whereas according to the location of their operations, they are characterized as city hotels and resorts.

2.3.1. Hotel Operations

The hotel is a business, which provides hospitality - accommodation and offers its infrastructure and its services for sale, individually or in many combinations. The package of the hotel product consists of many different characteristics and elements, such as:

- Infrastructure's location.
- Facilities - services: rooms, restaurants, bars, public rooms and spaces, conference rooms, exhibition halls, athletic facilities and recreation areas.
- Provision of services - services: availability and variety of the provided services, quality of personalized care, speed and effectiveness.
- Image: the way the business is presented to the public and the way the business becomes perceptible to the public.
- Price: expresses the value that is given in exchange for the previous four elements, in combination with the satisfaction felt by the customers.

All the above characteristics and elements are interconnected and they consist of integral parts of a single business set, a business idea.

A hotel business provides accommodation services, nutrition services and recreation. Apart from those, it can additionally offer to its guests several services, both inside and outside its premises, such as:

- Room service
- Telephone services
- Internet connection
- Exchange bureau
- Dry - cleaner
- Rental services (car rental, taxi)
- Organization of excursions - tours
- Sports
- Entertainment - animation and many others.

More specifically, tourism facility is called every venue of infrastructure, which regularly or temporary offers accommodation.

2.3.2. Aims of hotel businesses

A hotel business, as every business, operates with the purpose of making profit. The individual aims, which serve the above-mentioned purpose are:

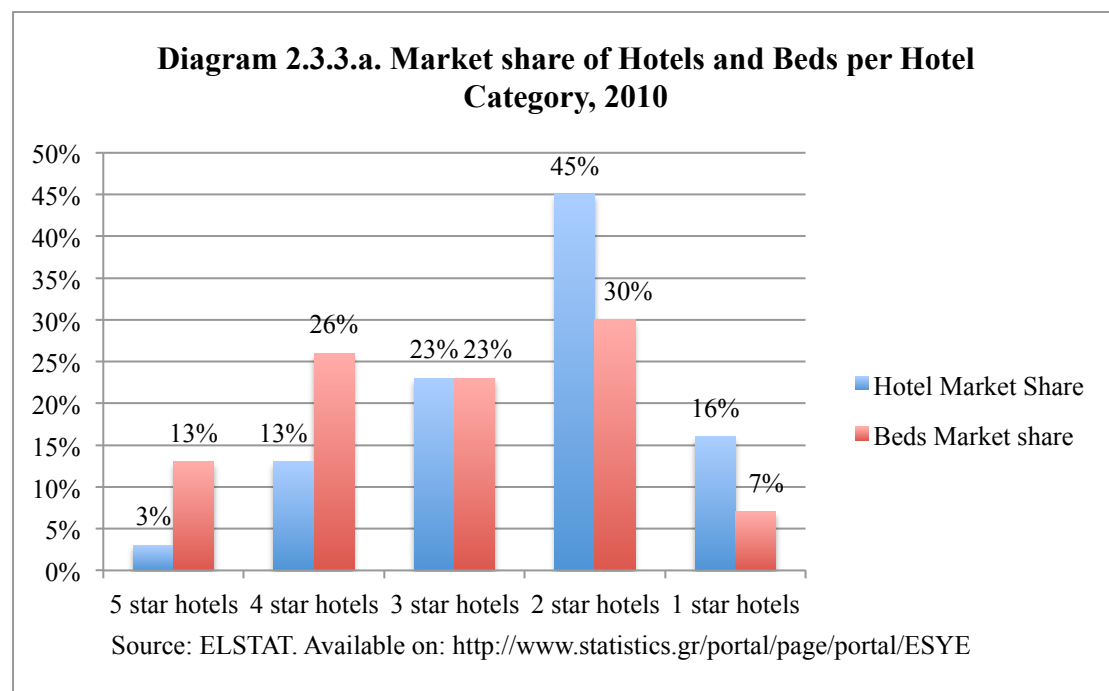
- Identification of the needs of the targeted customers
- Configuration of the most suitable product (room, restaurants, bars, telephone services and countless other services)
- Monitoring of the property of the hotel, the circulation of disposable goods and money.
- Financial handling of the business, morphing of the economic policy, recording and measurement of all the actions, informing of the public institutions.
- Management of the human resources, which is crucial for the maintenance of the firm.

Hotel profit is not always an easy task and it should be taken into consideration that it requires exceptional knowledge of the tourism profession, experienced, active and ambitious businessmen.

2.3.3. Hotel industry in Greece

Among the actions that constitute the tourism product, hotel services have a nodal? role in covering the need of accommodation of the incoming visitors of the country, but also that of the domestic tourism. In the last decade, hotel sector soared, with massive investments for the upgrade and the improvement of the offered services and the already existing infrastructure, contributing at the same time in the development of the national economy and the creation of new job positions. This resulted in the growth of the share of hotels that offer a branded product, which are classified as four and five-star hotels.

Still, the hotel resources of the country are mostly consisted of low-category-quality lodges, one and two stars (Diagram 2.3.3.a), whose lodging units are relatively small (77 beds per lodge). This fact reflects the development of small businesses, usually family-type, which aim the coverage of the seasonal tourism demand.



Indicative of the Greek tourism demand is the geographical distribution of the tourism lodges, as their majority is concentrated in five out of the thirteen Prefectures of the country (Attica, Ionia Islands, South Aegean, Central Macedonia and Crete), while half of them are located in the island complex of the country.

Given the fact that hotel sector represents an integral part of the Greek tourism, contributing to the marketing-promotion of the tourism product abroad, its contribution to the country's Gross Domestic Product has been outstanding in the sustainability and the growth of the Greek economy.

2.4. Hotel star ratings (Classification)

In a globalization era, it is difficult for hotels to inform the consumers about the quality of the product they offer. There is the general problem of disproportionate information between the supply (hotels) and the demand (consumers, intermediaries etc.). The supplier is highly aware of the product he is offering, but on the other hand the demand does not have a clue of it before the consumption of the provided service or product.

For this reason quality standards are considered an accurate choice in order to have a unanimous classification system. However it is very difficult to have a common hotel rating system since there is an increasing diversity between the types of tourism accommodations provided. Furthermore, the different economic and cultural contexts contain various classification systems. This led to the establishment of the general framework of classification of hotels in Europe, on November 6th 2009 in Barcelona, provided by HOTREC (Hotrec, 2011). 21 HOTREC principles were issued, due to the heterogeneity tourism product, for the setting-up and/or review of national/regional hotel classification systems in Europe.

Quality classification in the hotel industry is measured using star ratings. These systems are provided as guidelines for visitors who have the intention to stay in a particular hotel. Nevertheless, a globally standardized star rating system is absent; hotels are usually ranked on a scale from one to five stars, with one star being the lowest possible rate and five star rating being the highest. Besides the obvious distinctions between each category, there are additional details that usually do not matter for the consumers, the amount of tax a hotel pays annually to the government for instance.

It is also common that travel websites, consolidators and reservation service's websites often rate hotels. This particular method of rating is not considered accurate, by many consumers, as long as websites may have a biased opinion, providing an arbitrary rating system. The bottom line is that a hotel might receive different ratings from different organizations, making the consumers need of a noteworthy star rating information mandatory.

Star ratings can be very helpful in order to inform public concerning the quality of a hotel. A five star hotel is always expected to be more luxurious and expensive since several services are included in its pricing policy (room service, security, Internet access, fitness centers). And admittedly higher expectations make it difficult to achieve customer satisfaction.

A detailed guide for each star classification category is provided underneath. It needs to be stressed that this classification is not a perfect representation of any particular feature or amenity.

1-star rating: refers to either small capacity local hotels operated by their owner, or motels, hostels and dormitories. Basic services such as guest reception may not operate in 24-hour basis. Accommodation facilities are primitive and the atmosphere will be more personal, as the contact with the owner is to a greater extend direct. Restaurant services, transportation from and to the hotel as well as housekeeping services or any kind of entertainment are not provided. Lastly, guests might not have access to private bathrooms, television sets or in-room telephones.

2-star rating: hotels part of small hotel chains or budget properties that offer consistent quality services, however, limited amenities. Their size is medium most of the times and the rooms may be equipped with a telephone and a television set. A 24-hour reception, small closets, private bathrooms and restaurant facilities are offered, lacking though the convenience of room service.

3-star rating: comfort is given a finer emphasis, with many properties offering an on-site average-size restaurant, providing breakfast, lunch and dinner or even a lounge bar. Baggage assistance, room service and access to small fitness center and an

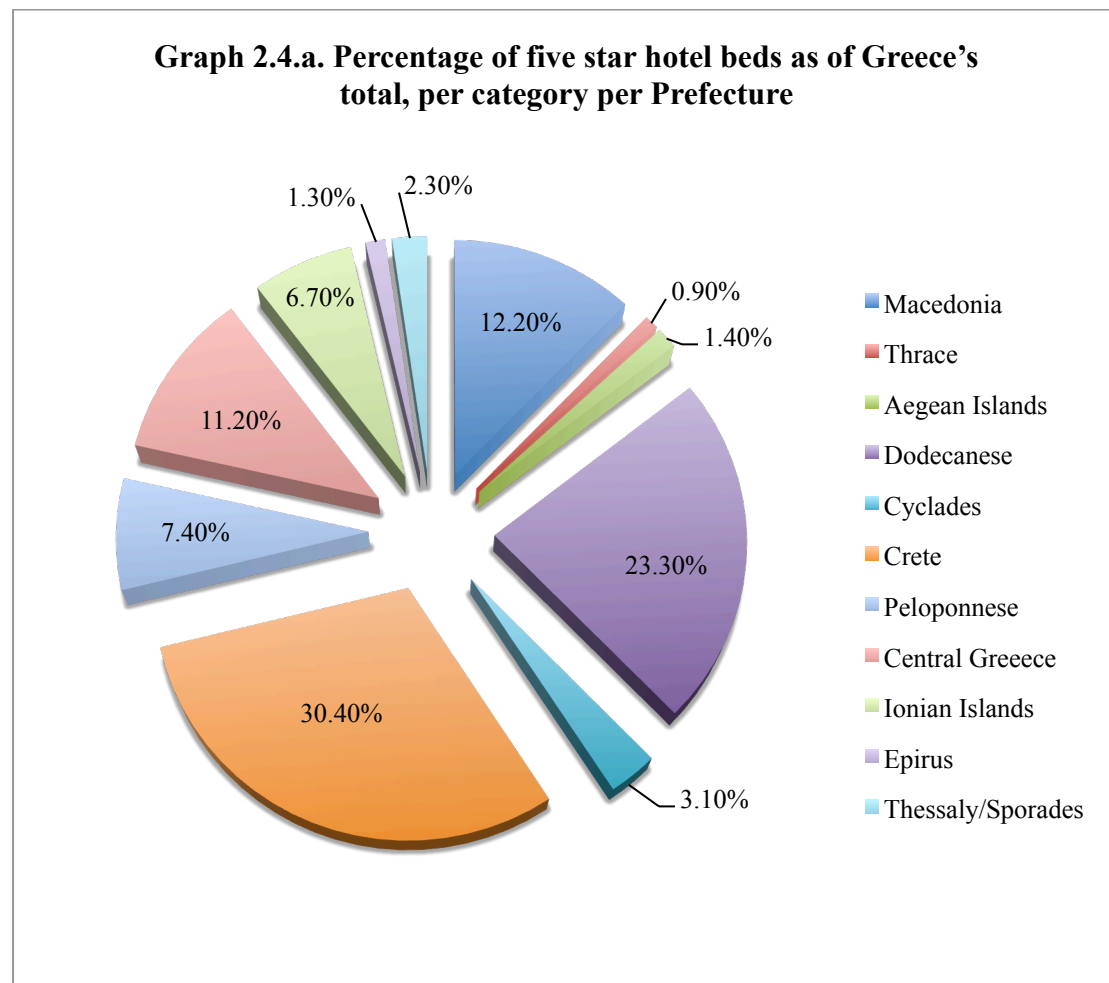
outdoor pool are usually available. Rooms are more spacious with better quality of bedding, larger private bathrooms whereas decoration is met in the lobbies.

4-star rating: hotels that tend to be more formal and larger. Their lobbies are characterized by deluxe decoration with lounge areas. Dedicated concierge, parking valet, turndown service by request and 24-hour room service are some of the services often included in the price. Guest rooms usually feature superior amenities, like larger beds and more spacious bathrooms. Furthermore, additional seating, mini-bars, laptop-compatible safes, pillow top mattresses, bathrobes and several other bath products are offered. In several cases, full-service spas, tennis courts, golf lessons, child-care services and big pools with poolside services are provided.

5-star rating: luxurious hotels offering the highest of individual service and attention. Style, design and elegance can be seen in every corner of the facility. Guest rooms are equipped with high-quality linens as well as electronic devices. Large bathrooms are often clad in marble, custom-built features, dual-sink vanities, premium spa services and fresh flowers. Golf courses, access to tennis centers, health clubs, personal trainers, luxurious spas and children's day camps are typical characteristics of this category. Staff members have acquired special training in order to stand up to the high expectations of the guests. Their being well polished, anticipating guest needs and consistently addressing guests by name is mandatory. Several services, such as the upgraded check-in, a welcome amenity or butler services are featured. It is targeted towards a specific market, with certain demands and economic budgets. Seasonality characterizes this hotel category as well as the rest of the tourism industry. Due to the restricted public they refer to, five star hotels present lack of capacity to self-sustain operations. Their goal is to achieve independency of intermediaries, who eliminate their revenues.

This thesis is focused on the last category, 5-star rating hotels in Greek hospitality sector, and the integration of sustainable practices in their operations. This should always be your focal point in your analysis. Refer to all but expand only on that category.

Five star hotel units, rooms and beds in Greece consist of the 15.2 percent of the total, approximately 117.563,64 of the total 773.445 (Association of Greek Tourism Enterprises, 2014). More precisely, according to the Association of Greek Tourism Enterprises (SETE) the percentage of five star hotel beds as of country's total, per category per Prefecture is as follows (Association of Greek Tourism Enterprises, 2014):



Source: <http://sete.gr/EN/TOURISM/Greek%20Tourism%20Facts%20&%20Figures/>

The highest concentration of five star hotels in Greece is observed in Crete and the Dodecanese whereas the lowest in the Prefectures of Thrace and Epirus.

2.5. Sustainable Development

In the second part of the twentieth century after two disastrous World Wars and with the Cold War between the United States of America and Russia in progress, people realized that the rapid exploitation of natural resources, for the purposes of these unprecedented wars, was resulting in the inefficient exhaustion of the natural capital of the planet (Dittmar, 2013). The expeditious technological advancements that were taking place during that period, were supposed to make people's lives simpler, healthier, more productive and convenient. People did not realize at the moment that global industrialization had, on the one hand, resulted in tremendous technological achievements and development, but on the other hand bypassed the carrying capacity of the planet and the protection of the environment. The global booming industry, together with the unceasing economic growth rates of the countries around the globe, brought out the need by the scientific community to probe the impact of the continuous exploitation and consumption of the planet's natural resources.

In 1972, the results of the investigation were published in the book "The Limits to Growth" (H. Meadows, 1972), in which it was stated that our industry-oriented and economic-centric society will reach its inevitable limits to growth during the first half of the 21st century, in a very sudden and inharmonious downturn. People around the world began to understand that the materialistic western lifestyle they had been enjoying did have serious consequences in the global environment.

In the 1980's and due to the warnings of scientists, public awareness increased in issues about environmental degradation, climate change and uncontrolled industrial development. As a result, in December 1983, the United Nations formed an institution, the aim of which was to focus on the environmental issues about unrestrained development. The entity that was formed was the Brundtland Commission (The United Nations, 1987), (International Institute for Sustainable Development, 1990), with Gro Harlem Brundtland chairing the organization, who raised the issue of the rampant "development paths of industrialized countries", being "unsustainable".

In 1987, the Brundtland Commission published the report “Our Common Future”, in which one can spot the definition of sustainable development and its two key concepts:

“Sustainable development is the development that meets the needs of the present without compromising future generations to meet their own needs.”

According to the International Institute for Sustainable Development, it consists of two “key” concepts:

- “the concept of needs”, in particular the essential needs of the world’s poor, to which overriding priority should be given”, which results in the idea of “intragenerational justice” (Anand, Sen, 1994), which is the justice amidst people living today, and
- “the idea of limitations imposed by the state of technology and social organization on the environment’s ability to meet present and future needs”, which leads to the “intergenerational justice” (Anand, S. & Sen, A., 1994), which is the justice of present against future generations.

In the following years, in 1992 in Rio de Janeiro, where the United Nations Conference on Environment and Development took place (United Nations, 1992), government officials, Non-Governmental Organizations and global media gathered to form a policy regarding to global environmental problems. The conference’s outcome was the well-known “Agenda 21”(Haines, Alleyne, Kickbusch, Dora., 2012), which set specific principles and policies (Report of the United Nations Conference on Environment and Development, 1992) about the improvement of people’s living standard in relation to the environment. One part of the Agenda 21, “Local Agenda 21” is dedicated to the consideration of local authorities towards sustainable practices in the tourism industry (UNEP, 2003), which need firstly to be identified and then implemented taking into account local stakeholders. The cornerstone of this agenda is the means used to promote the principles established by Agenda 21. These principles and policies were to be achieved globally in the 21st century by initiating universal cooperation in stimulating environmental awareness and by hastening sustainable development (UNEP, 2003).

The outcome of 2005’s World Summit (United Nations, 2005), declared that the United Nations will play a crucial role in the promotion of sustainable development

by reinforcing their co-operations towards a common goal: the protection of the environment. It also resulted in stating that sustainability consists of three fundamental “pillars”: the economic, the social and the environmental (United Nations 2005):



Source: <http://www.forestry.gov.uk/forestry/edik-59fmzf>

Every company that wants to remain competitive in the long run and to have long-term economic, social and environmental prosperity should take into consideration the three pillars of sustainability.

The economic pillar of sustainable development depicts a decent allocation of the resources used for the operations of the company. Economic sustainability portrays that a company will remain profitable without causing any social or environmental problems, which could damage its credibility in the long run.

Environmental sustainability is achieved in a company, when its operations, its procedures and its manufacturing processes leave a substantially reduced ecological footprint, without jeopardizing the environment, by using renewable resources, by implementing waste management systems or by reducing its energy use.

The social pillar of sustainability concentrates in the adjustment of individual to collective needs. A company and generally every individual should see themselves as a part of a bigger group and do not think individually, but collectively. The company's operations should:

- Protect, and if possible, improve the human health

- Initiate programs by which its employees and the local society will be informed for its sustainable practices
- Trigger educational and training programs about sustainability

The most essential pillar of the three with the highest priority and the biggest impacts is the environmental pillar, as when the environment is deteriorated, the society is deteriorated too and as a result the economy as well. On the other hand, all three pillars are interconnected, in order to accomplish sustainable development and many times two pillars can forward the third one. For example, if a firm reaches the environmental sustainability by implementing ecologically friendly practices and cares about its societal sustainability by creating jobs and by donating to charities, the economic sustainability will follow suit. The relationship of the three pillars of sustainability should be highly considered if a company wishes to be profitable and operational in the remote future.

It is obvious that in the last years, companies began to care more about the society and the environment besides their profitability. A vast amount of inter-related factors, primarily globalization, the deregulation of markets, rapid developments in Information and Communication Technologies (I.C.T.), the enhancing influence of consumers and Non-Governmental Organizations (N.G.O.s), the information pluralism, and others, such as mass layoffs and huge profits at the same time, the scarcity of natural resources and simultaneously the imminent climate catastrophes, morally questionable advertising, child labor, political corruption, corporate fraud, the financial crisis, all these together shaped a new social-environmental-economic framework, which forces organizations and companies to re-evaluate their role and their responsibilities in the society.

2.5.1. Corporate Social Responsibility meeting sustainable development

The development of the notion of Corporate Social Responsibility (C.S.R.), has gained increasing attention over the past two decades, however many researchers have been underlining the responsibilities of the businessmen towards society since the 1960's. Despite the large attention it has drawn, C.S.R. is not widely accepted, either as a concept or in practice (Leaniz, P. M., Ruiz, A. & Del Bosque, 2012). That

is why, in combination with its complex character, there is not one commonly accepted definition of the term. However, C.S.R. can be defined as “the extent to which businesses meet the economic, legal, ethical and discretionary responsibilities imposed on them by their stakeholders” (Akdogan, Tanc, Cingoz, 2008). Under the C.S.R., companies voluntarily incorporate into their operations practices, activities and transactions with an emphasis on social and environmental content (Tsakarestou, 2001). Some examples follow: Starwood hotels pursue ethical policies concerning the protection of children’s rights, Intercontinental hotels provide support to the communities that have endured natural disasters and Four Seasons hotels’ CSR policy indicates its interest in protecting and preserving the environment by encouraging planting for instance.

C.S.R. can be embraced mainly in two ways: the Sustainable Development approach and the Stakeholder Theory approach (Tullberg, 2013). Sustainable Development as it has already been mentioned is based on the harmonic co-operation of three pillars: the economic, the social and the environmental pillar. Regarding the Stakeholder Theory, we should point out that through C.S.R. the company must pay attention to and focus on every stakeholder of the entire organization that is affected by its actions.

Taking everything into consideration, with regard to the continuous environmental degradation, the distinction of global biodiversity, the uncontrolled industrial pollution and the constant increase in the temperature of the earth, climate change seems to be unavoidable if sustainable development policies and the three pillars of sustainability will not be taken seriously.

Climate change is a global emerging issue and as expected there is an interdependent connection between hotel sector and this environmental phenomenon. It forces the differentiation of the tourism and hotel operations. It is therefore necessary to adapt to the new “rules” set by climate change. Alterations in matters of tourism demand and supply have been lately observed due to this new environmental reality. Preferences in the selection of the countries to be visited are also affected. Needless to mention that climate change makes the undertaking of infrastructure mitigation measures compulsory in combination with further adaptation to the new requirements set by it.

It is the responsibility of every individual, but also of every company to achieve radical changes in its over-consuming way of operations and to begin to follow the path towards sustainable development, as our development “walks” side-by-side with the conservation of the environment.

2.6. Sustainable-Tourism

Currently we live in an advanced world, which is dominated by several ideologies, many of which drive the market forces all around the world and stimulate decisions that have to do with personal ambitions and tangible needs. This short-term thinking is preserved for hundreds of years in the international tourism sector and this is the kind of thinking that very often destroys our natural environment. The efficiency of production is often, if not always, achieved to the expense of the natural environment, by destroying biodiversity and bringing catastrophic consequences in the long-term. Wilderness and natural regions, despite being in decline in quantity and quality, tourism activity in these areas is increasing significantly. On the other hand, tourism is a sector that comes along with a lot of criticism, as it is the main reason why these natural areas are at threat of being entirely destroyed. Tourism is strictly dependent on the existence of the natural environment, as it is on human environment.

Nowadays, tourism is completely dominated by the spirit of consumerism, which states that “big is always better”. According to that statement, tourists are at a constant pursuit of the biggest, cheapest and more impressive and unique experiences. It is impossible to develop such a product and at the same time support the natural environment in a region, its culture, lifestyle, its social and economic ecosystems, so that is the main reason why an alternative form of tourism had to be developed, in order to consider these important issues. One of these alternative forms of tourism that has been developed is sustainable tourism.

Sustainable tourism, as a term arose in the latest decades, as a result of the realization that tourism sector was in need to understand that sustainability practices were a direct obligation towards the community and its cultural values. According to the United Nations World Tourism Organization sustainable tourism can be defined as: *“tourism that takes full account of its current and future economic, social and*

environmental impacts, addressing the needs of visitors, the industry, the environment and the host communities.”

Sustainable tourism's principles and practices can be implemented in every type of tourism, no matter if it is massive tourism or other niche tourism products. Sustainable tourism takes into consideration the balance between the three pillars of sustainability, which are the economic pillar, the social pillar and last but not least the environmental pillar and the relationship among them.

Therefore, according to UNWTO, sustainable tourism has three core functions:

- Making “*optimal*” use of natural resources, what are essentially and direct prerequisite of the development of tourism activity, managing vital environmental processes and support the heritage and the destination's biodiversity.
- Respecting the local community's traditions and ethical values, its “*socio-cultural authenticity*”
- The prosperity of all stakeholders of the local community should be fairly distributed and the development of operations of sustainable tourism in a region should include “*stable employment and income-earning opportunities and social services to host communities and contributing to poverty alleviation*”.

Sustainable tourism, due to the heterogeneity of the tourism product itself, requires constant and strict cooperation of the local stakeholders and needs their consistent participation. In order to deal with several emerging issues inside the host community, the government should raise the awareness of its citizens about the central issue of sustainability and introduce several practices in order to improve the living standard of the host community and at the same time preserve its culture and ethical values.

2.6.1. Sustainable Practices in Greek five-star hotels

The last century, Greek tourism industry has presented a ceaseless advance. According to the Association of Greek Tourism Enterprises (S.E.T.E), 16,4 percent this industry's share contributes to the country's Gross Domestic Product. For instance, S.E.T.E recorded 9.677 hotels, 358 of which are five-star hotels, offering 57.792 rooms and providing 117.564 beds. The number of the incoming tourists is skyrocketing year after year. In 2013 alone, 17.919.551 tourists arrived from international destinations around the globe, figure raised by 15,5 percent from the last years' arrivals.

Satisfaction of the growing needs of tourism and the construction of the necessary five-star-infrastructure in particular, has led to the destruction of the coastal lines and mountain regions and the deprivation of the biosphere. Additionally, several working standards have been violated and there is a soaring trend in the levels of criminality and prostitution (Frangialli, 2002).

Thus, tourism Greek five-star organizations (industry's pioneers and innovators), should implement a sustainable development alignment to abate the negative impacts of their operations on the cultural, natural and economic environment (Barr, Carpentier, Clegg, 2003) and consequently counter their activities, given their interdependence on culture and environment to blossom. At the same time they will set a paradigm for smaller units to follow (guide and inspire).

In the fast-growing Greek five-star-hotel industry, managers have been occupied with the increasing number of environmental principles and standards to be followed. To this end, numerous carefully designed and structured initiatives have been undertaken, whereas others have implemented practices rather "*unmindfully*" (Paradas, 2006). Furthermore, there is the notion among Greek five-star hotel managers that by adopting certain international eco-labels, such as ISO 14001 and the European Regulation E.M.A.S. (Eco-Management and Audit Scheme), they contribute to the sustainable development of the area. A tendency entirely incorrect, since these labels focus more on the environmental pillar of the sustainability, such as water and energy conservation, leaving the social and economic one, marginalized. This means that

there is room for improvement and a gap between knowledge and integration of sustainability practices.

The aim of this dissertation is to focus on sustainable practices integrated by five-star hotels in the region of Thessaloniki and if they do not how managers see this transition. The integration of sustainable operations of these luxurious hotel facilities is very crucial for the area, since due to the soaring number of tourists, the exhaustion of natural resources and the production of waste, pushes Thessaloniki's carrying capacity to its limits. The specific objectives of the dissertation include the following:

- To investigate the awareness of the five star hotel executives about sustainable development issues.
- To clarify whether five star hotels in Thessaloniki already implement any form of sustainable development practices or they are about to do so in the future.
- To research the level of compliance of five star hotels in Thessaloniki according to the three pillars of sustainability and how much they were benefitted from this transition, and
- Finally, to explore possible difficulties during the implementation of sustainability practices.

These five-star, pioneer and landmark hotels of Thessaloniki should be aware of the importance of the integration of sustainable practices in their facilities. The city's strategic position in the crossroads of three continents could operate as a promoter giving to the public the perception of contribution to the sustainable development of the area. The most essential goal could be the actual contribution to the sustainable development of Thessaloniki thanks to the companies' interest for the city's environment, economy and population, and not only as part of their Corporate Social Responsibility policy. Furthermore, by implementing sustainable practices, businesses will promote their legitimacy in the local stakeholders, by contributing to the sustainability of Thessaloniki's tourism sector and to the advancement of the city's culture.

3. Methodology

The focus of the present dissertation was to conduct an evaluative research of the degree of the integration of sustainable practices in Greek five star hotels and how hotel managers perceive these practices and transitions.

The first part is entirely theoretical and literature-based. The dissertation discusses the theoretical and descriptive material regarding the tourism sector and particularly the hotel sector with an emphasis on the Greek tourism and hotel industry respectively, the classification of hotels, sustainable development, sustainable tourism and finally the sustainable practices in Greek five star hotels (this last issue was not actually tackled –at least to the extent expected). It is obvious that moving from the general subjects to the more specialized, the dissertation focuses on the review of a specific field, which bears sustainable practices implemented in Greek five star hotels, that is investigated later on. The research, then, was solely targeted at the five star hotels that are located in the region of Thessaloniki, offering a more practical approach to the relevant issue.

The approach of the study constitutes a combination of primary and secondary research. In particular, concerning the degree of integration of environmental, social and economic practices five star hotels in Thessaloniki, questionnaires were formed and distributed in the city's 13 five star hotels via Email. However, already existing statistical and numerical data that were available through the Association of Greek Tourism Enterprises, articles on the Internet, and literature were used (secondary data).

Data for the entire procedure were gathered from the 1st of September to the 1st of November 2014. A questionnaire survey was conducted from the 1st of December 2014 to the 4th of January 2015, in the form of 11 multiple choice and Likert-scale questions. A total of 9 out of 13 five star hotels executives in the region of Thessaloniki responded. The 4 hotels that did not respond did not provide any explanation why they did not. Surely, there is a positive bias in the findings in the sense that only those who are active in the sustainable development of the region responded. A hotel executive conducted a pilot-check of the questionnaire before it

was eventually distributed to the remaining five star hotels' managers, leaving positive comments.

The collected data was firstly organized in as many questions as there were in the questionnaire and then they were finally assessed. Any statistical analysis was not used, since the sample was too small to be analyzed that way.

Overall, the involvement of primary, secondary, quantitative and qualitative research methods and literature review aimed at providing a complete and empirical scope of the degree of integration of sustainable practices five star hotels in the region of Thessaloniki. The whole approach is considered appropriate, given the availability of the needed information, the potential to obtain new data, and the available time for the completion of the dissertation.

Research Questions

Sustainability is considered nowadays an urging issue that promotes significant alterations in the wide variety of business sector.

The goals of this dissertation can be summarized in the following 5 major points:

- The ascertainment of awareness of the five star hotel executives concerning sustainable development issues
- The clarification of whether five star hotels in Thessaloniki already implement any form of sustainable development practices or if they intend to do so in the future
- The transition to sustainable practices from the five star hotel managers perspective
- Ascertainment of the level of compliance of five star hotels in Thessaloniki according to the three pillars of sustainability and how much they were benefitted from this transition, and
- Possible difficulties they faced during the implementation of such practices.

Processing of the obtained answers indicated that hotel executives are highly aware of the soaring trend of the integration of sustainable development practices in their operations and that they already implement several kinds of economic, social and environmental practices. Their goal is to increase the efficiency of their businesses, to attract more loyal customers and to engage in responsible entrepreneurship.

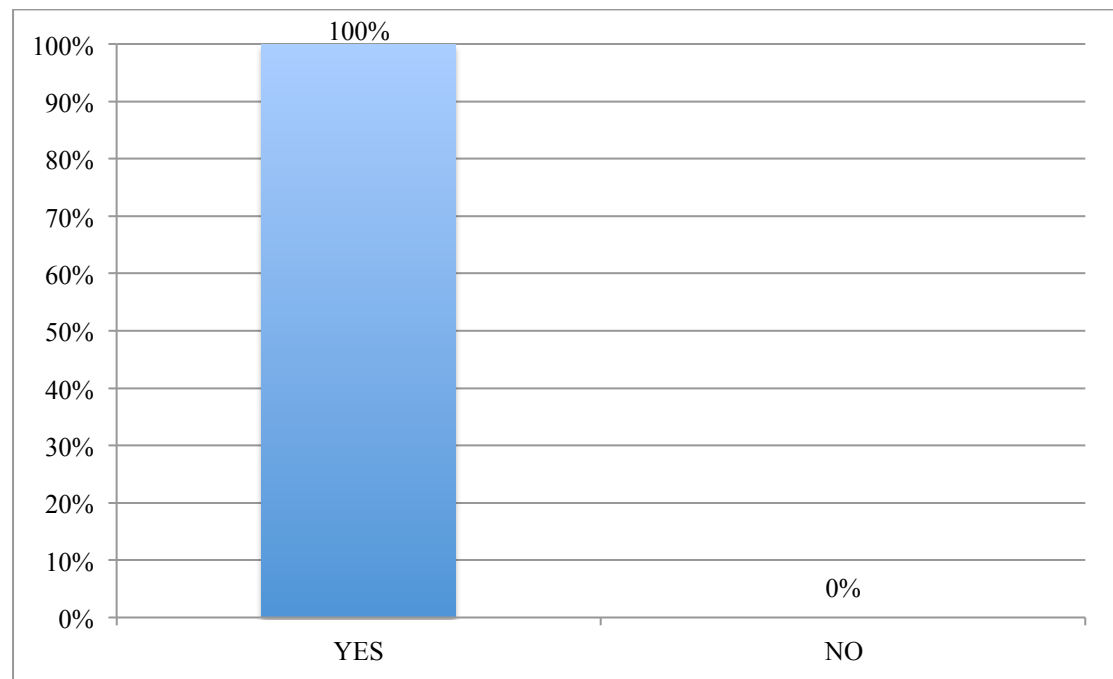
Additionally, due to the current financial situation of the country, five star hotels cutback both training programs and the implementation of new breakthrough technologies, which are considered as essential tools for the transition to sustainability practices. This trend lays on their general effort of saving costs. However, implemented sustainability means seem to be advantageous for the businesses in the long run, despite the difficulties being faced during or after their implementation. Finally, the integration of such practices is made public mostly towards the local authorities, the customers and the tour operators, using the Internet, the local press and the company's website and rarely towards the competitor businesses, the environmental pressure groups and the national authorities.

These responses promote and come in accordance with the three pillars of sustainable development in the area of Thessaloniki and have a major contribution to the development of the whole surrounding region.

Sustainability practices are worldwide adopted in order to improve the function of the respective businesses as well as the local and national economy of a country. The conduction of this research indicated that tentative steps are being gradually made, aiming to improve the operation of the hotel business sector on a local basis. However, a wider research is mandatory in order to ascertain the intensity of application of sustainable practices on a national level. Additionally, further information concerning the advantages following the implementation of such measures is required. This will lead to a higher motivation of integrating them to the basic structure of the hotel sector and will reassure the advance of the Greek economy in the future.

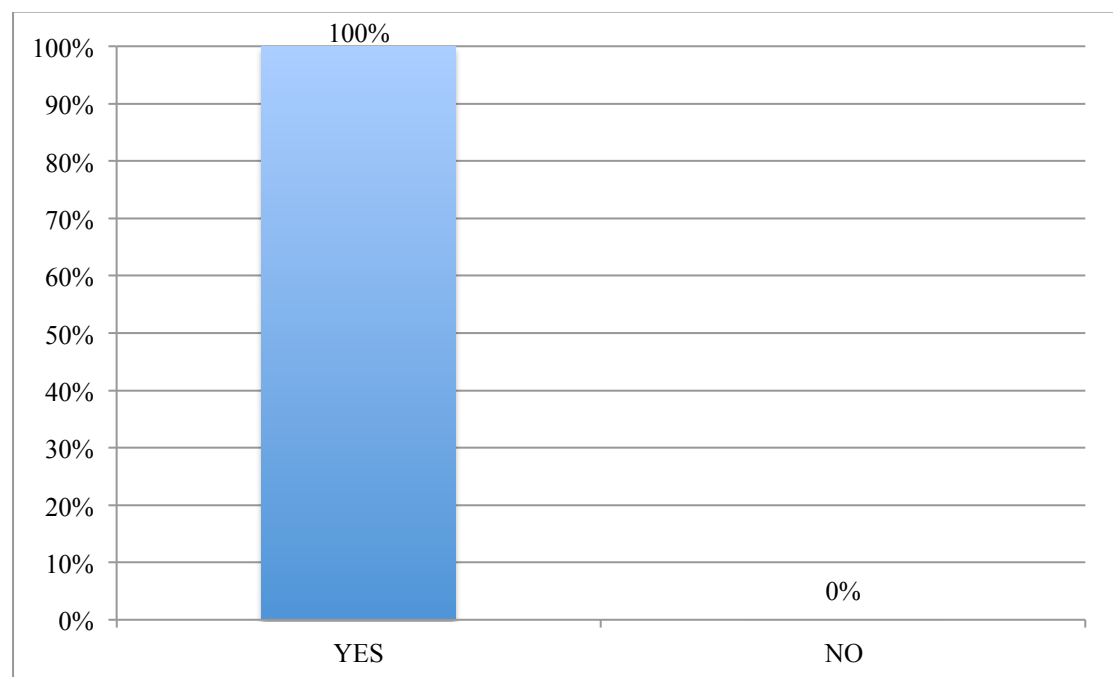
4. Findings/Data analysis

Question 1: Are you familiar with the term “sustainability”?



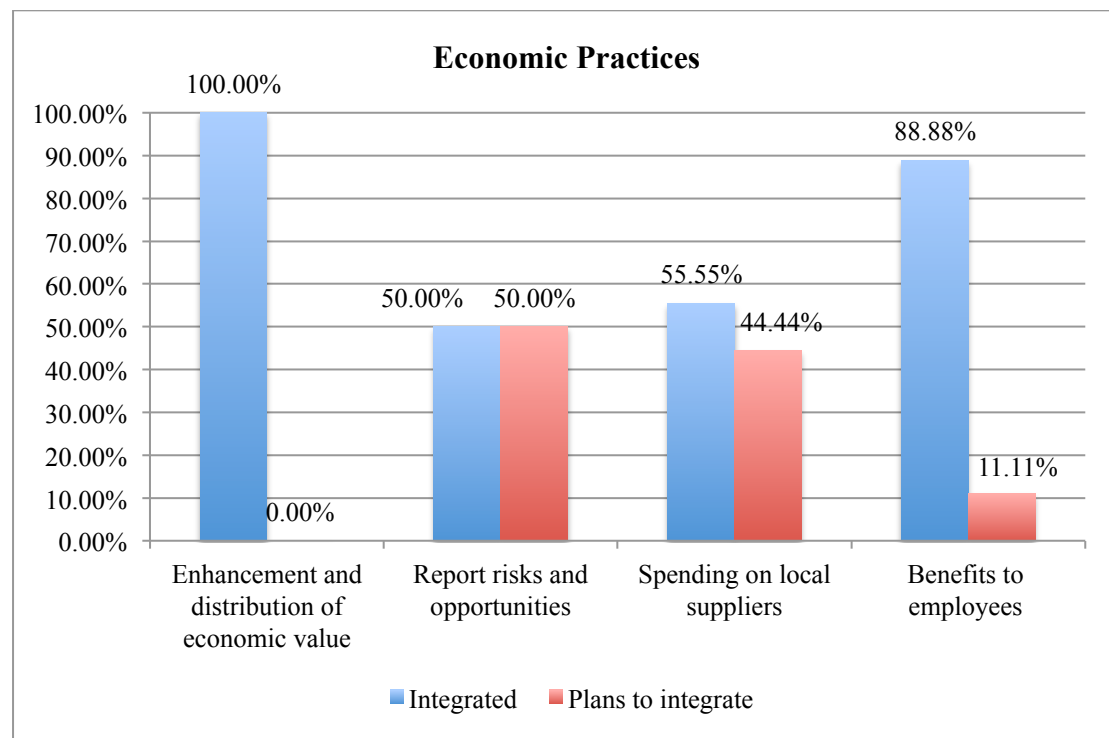
It is obvious that all the businesses executives questioned, were familiar with the term sustainability, which means that they are aware of the soaring trend that has been going on during the last decades and the shift towards sustainable development.

Question 2: Does your hotel operations integrate sustainability practices?



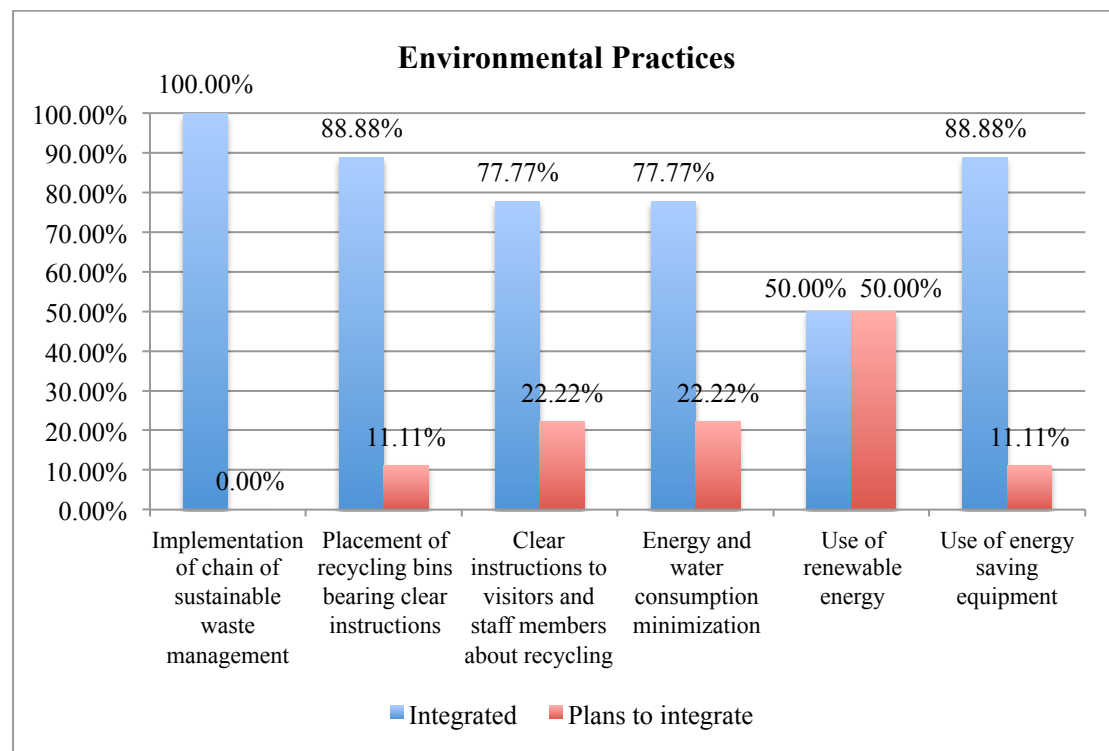
All hotels that have been questioned, responded that they do integrate sustainability practices in their operations, which practically means that they believe that they contribute in some way in the sustainable development of their region.

Question 3: What sustainability practices has your hotel integrated in its operations?

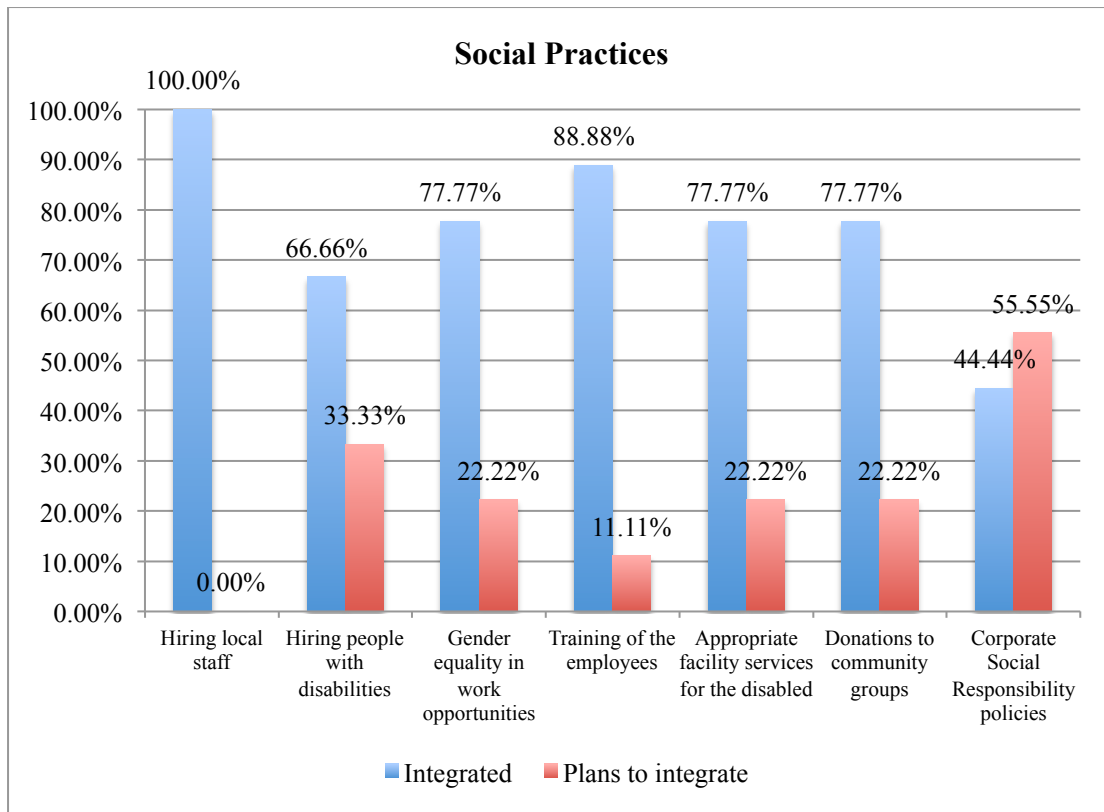


The hospitality businesses questioned do integrate several forms of economic practices or have plans of integrating them in their future operations. All of them responded that they enhance and distribute their economic value (employee wages and benefits, taxes to government, community investments and so on.), which means that they assess all transactions in their operations and they publish their economic results. 50 percent of the hotel firms (1 hotel executive did not answer this particular question) replied that they report their risks and opportunities, which consist of the external environment of the business, but on the other hand, half of them intend doing that in the future. Regarding spending on local suppliers, 55.55 percent reported a preference for local suppliers, whereas the rest 44.44 percent will turn to them in the future. Furthermore, the majority of hotel businesses (88.88 percent) answered that give benefits to employees, such as health insurance, annual leave, bonuses, overtime

payment and so on, leaving 11.11 percent of them with such practice for future integration.



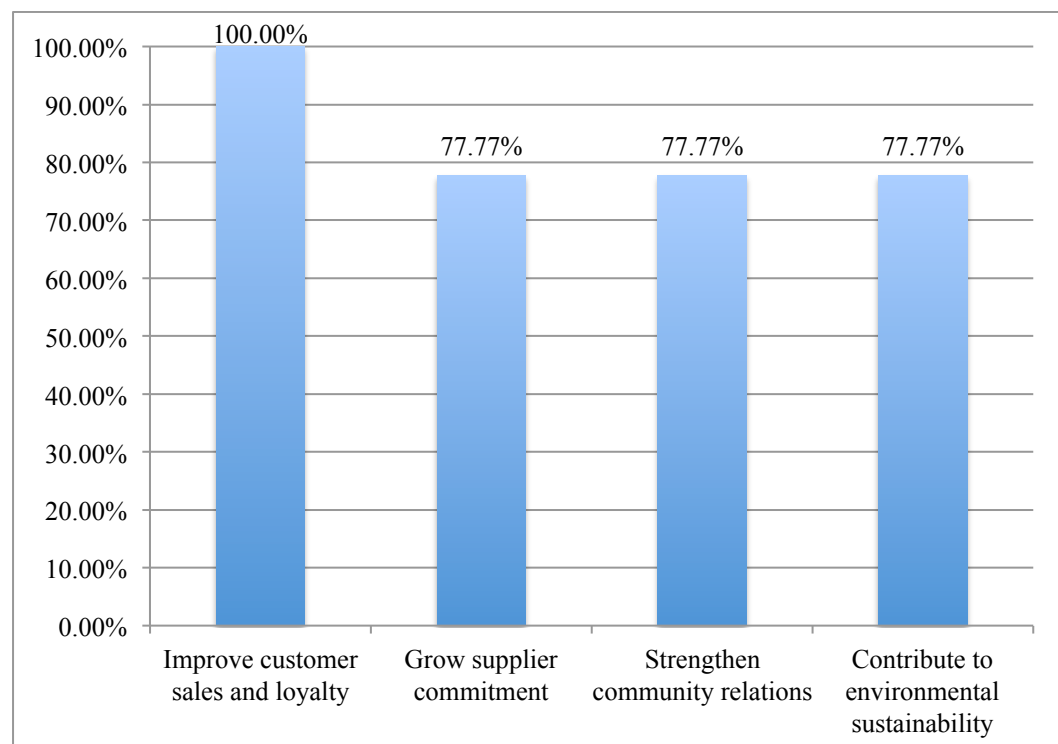
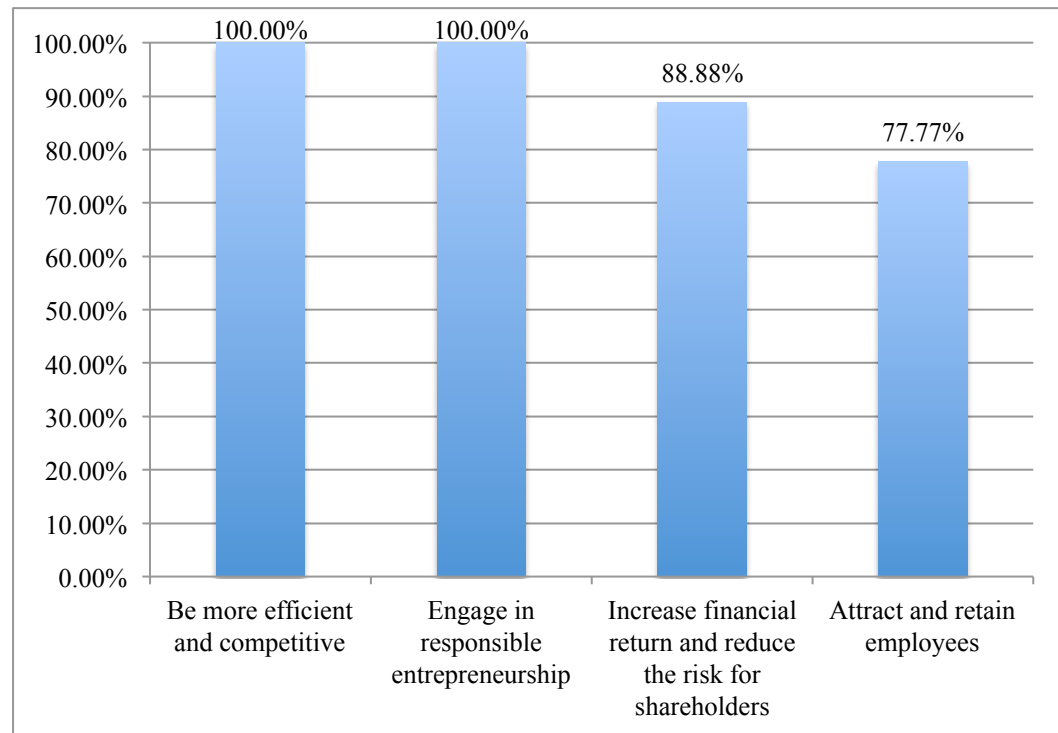
All businesses reported implementation of the chain of sustainable waste management, consisting of the principles avoid, reduce, reuse, and recycle. 88.88 percent responded that they place recycling bins, which bear clear instructions in their facilities, helping generally the recycling procedure and the rest intends integrating such an environmental practice. Clear instructions to visitors and staff members concerning recycling, provides the 77.77 whereas the rest 22.22 percent plans to integrate this sustainability practice. 77.77 percent of the firms replied that they try to minimize their energy and water consumption and 22.22 percent plans to do so in the future. Half of them use renewable energy and half of them plan to implement means of using renewable energy, showing that hotel businesses are aware of its importance. One of the most significant environmental practices is definitely the use of energy saving equipment, such as LED lighting, sensors that switch lighting of during daylight, installation of double pane/ shadow windows and so on. 88.88 percent of the questioned five star hotels confirmed using such equipment, whereas the rest showed their intention of implementation of such practices in the future.



Hiring local staff is a noticeable trend five star hotels in Thessaloniki to facilitate their businesses. 66.66 percent of them hire people with disabilities (social pillar), contrary to the 33.33 percent that do not currently hire people with disabilities but plan to follow that policy. 77.77 percent of the firms reported gender equality in job opportunities and 22.22 percent intend integrating it in their operations. Training of the employees is of substantial meaning; it allows diversification of the company from the competition and providing it with a competitive advantage. Furthermore it consists of a very important societal practice and 88.88 percent of the companies questioned provide training programs to their employees and 11.11 percent of them plan to do so in the future. 77.77 percent of the five star hotel managers replied that their facilities have accessibility infrastructure for the disabled and 22.22 percent plan to implement appropriate facility services for this specific category of people. Donations to community groups are one action that portrays the social orientation of the business followed by 77.77 percent of the businesses questioned. One of the most significant tools in today's businesses is definitely Corporate Social Responsibility practices, since they affect many people and improve the image of the company.

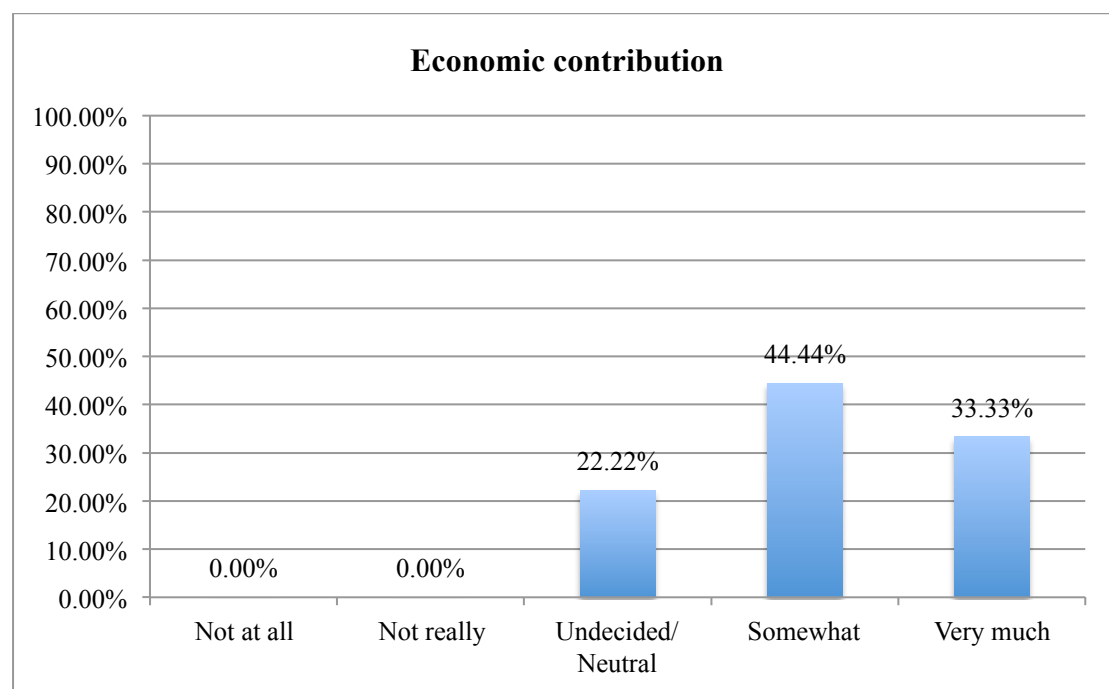
44.44 percent of the companies already implement CSR practices and 55.55 percent plan to implement such effective practices.

Question 4: If your hotel does integrate sustainable practices, what has led you to adopt them?

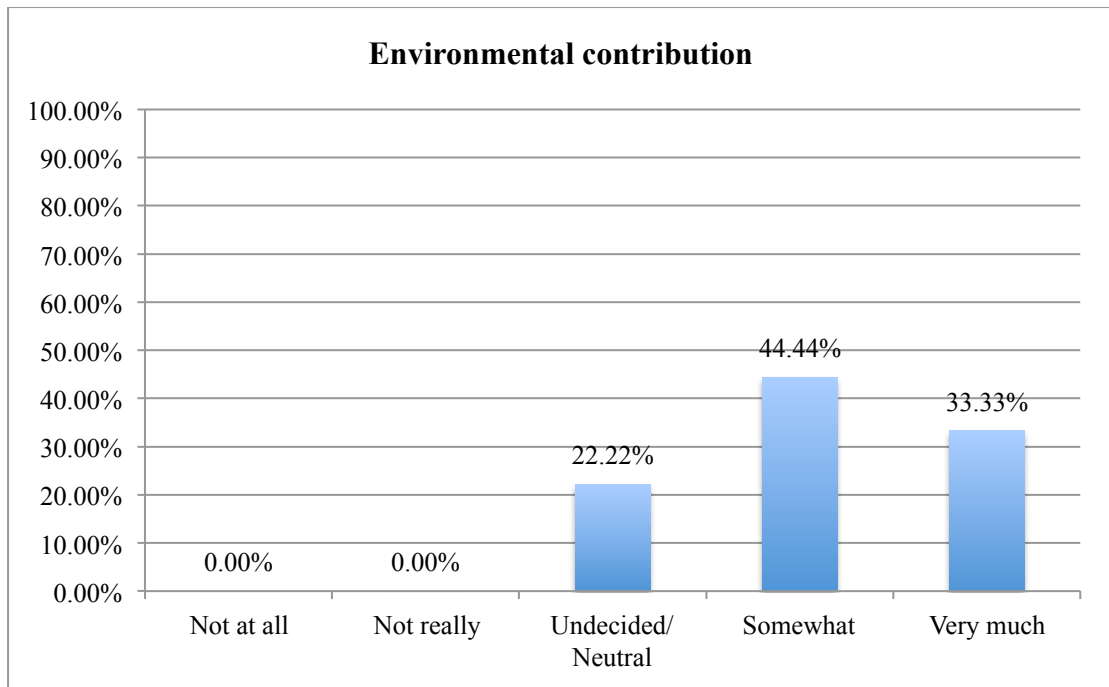


In order to integrate sustainable practices, businesses have their motives to adopt them. All the participating five star businesses consider that they turned more efficient and competitive after implementing sustainability practices, which further provided the engagement in responsible entrepreneurship. Furthermore, they improve the customer's sales and extend their loyalty to them. 88.88 percent integrated sustainable development practices, in order to increase their financial return and reduce the risk for their shareholders and to contribute to environmental sustainability. A rate of 77.77 percent aims attracting and retaining their employees as well as growing their supplier's commitment by implementing such practices. Lastly, strengthening of their relations with the local community contributes to the sustainable development (77.77 percent).

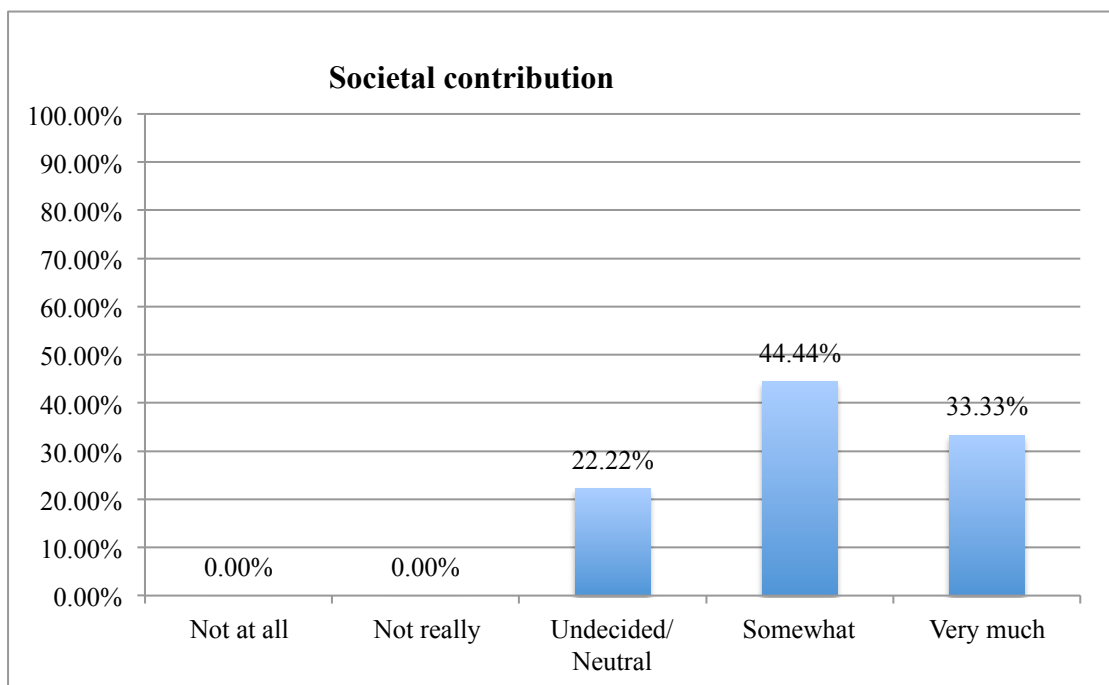
Question 5: To what extend do you believe your business contributes to the local economy, environment and society?



It is clear that five star hotel managers believe in the economical contribution to the local community, somewhat and very much at a rate of 22.22 and 44.44 percent respectively. 22.22 percent of the managers remain undecided or neutral towards the economic contribution of their hotels.

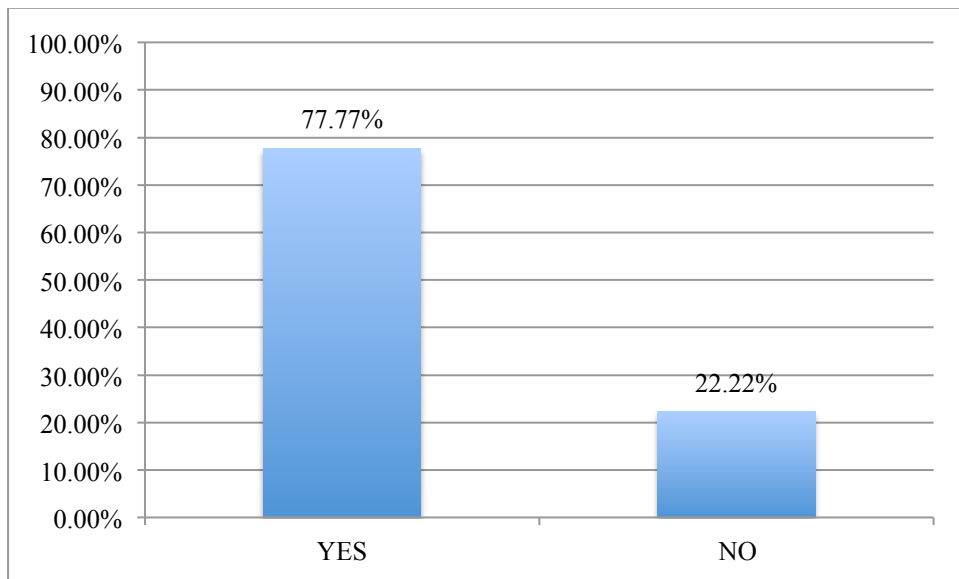


Regarding their environmental contribution, five star hotel managers believe that they somewhat or significantly make a substantial involvement, at a rate of 44.44 and 33.33 percent respectively. On the other hand, 22.22 percent of them remain undecided or neutral.



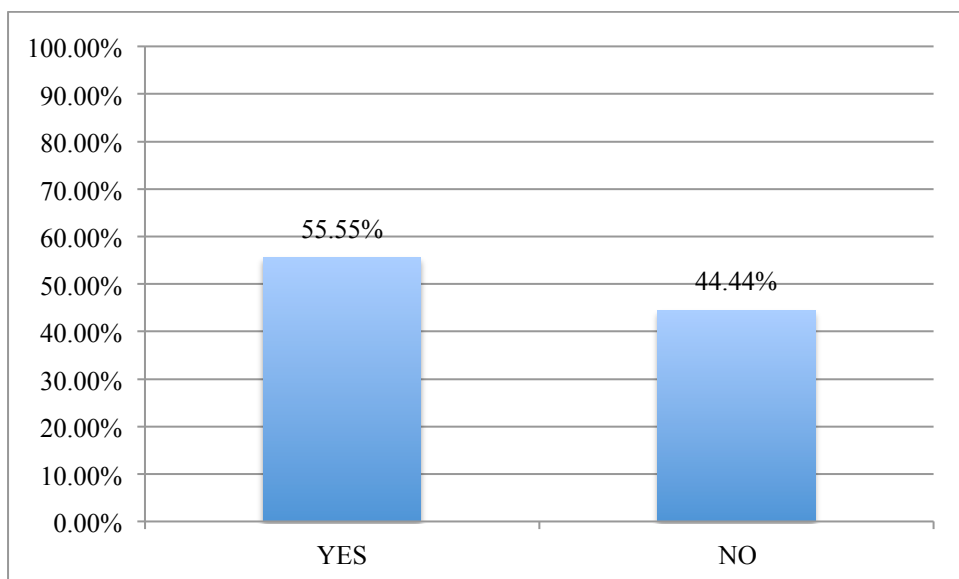
According to the societal contribution of their businesses, managers believe that they somewhat (44.44 percent) or even considerably (33.33 percent) make an impact on the local society. Only 22.22 percent of them remain undecided or neutral.

Question 6: Is your hotel's infrastructure in position of efficiently supporting the implementation of sustainable practices?



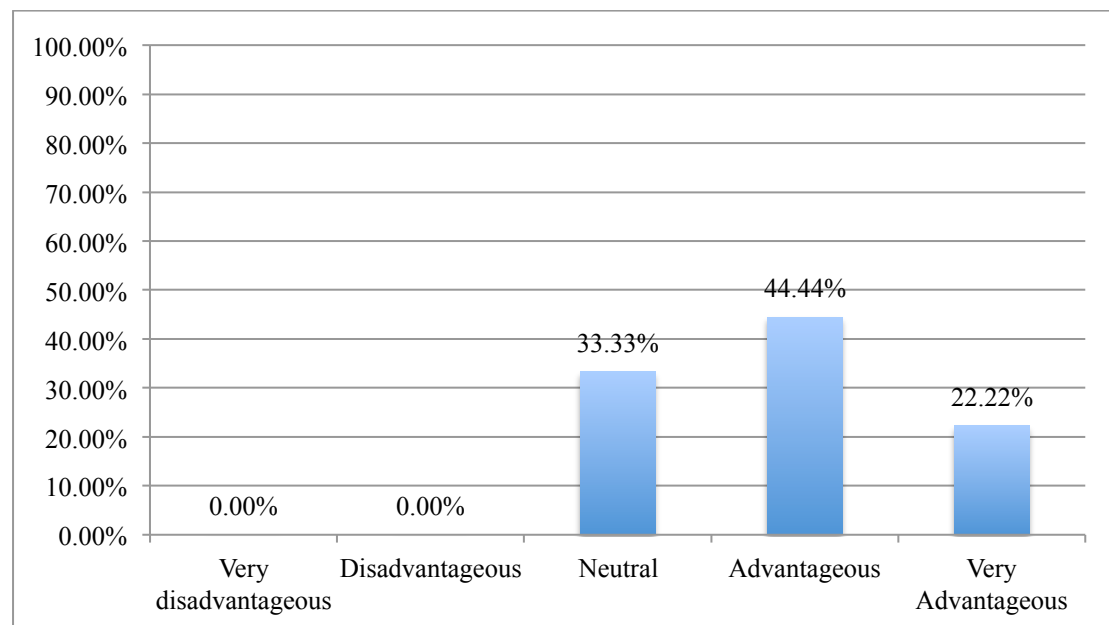
One of the key factors to integrate sustainable development practices, is definitely the willingness of the competent staff members in combination with the hotel's infrastructure itself. 77.77 percent of the hotels responded that their hotels' facilities are capable of efficiently supporting the integration of sustainability practices and 22.22 percent stated that they are not.

Question 7: Is the personnel trained enough to support sustainability practices?



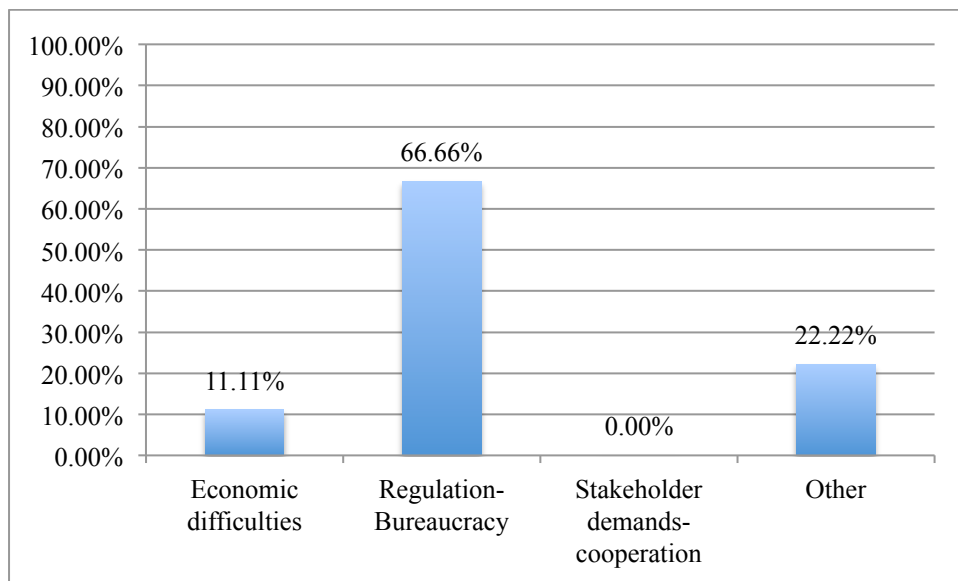
In order to maximize its revenues one firm should differentiate from its competitors. One of the most crucial competitive advantages a company might have is the training it provides to its employees. To adopt sustainability practices, 55.55 percent of five star hotel managers of Thessaloniki, think that their personnel is trained enough to support these implementations and 44.44 percent of them believe their staff could not upkeep with the constant sustainability demands.

Question 8: The establishment of these sustainability practices in your business was _____ in financial terms.



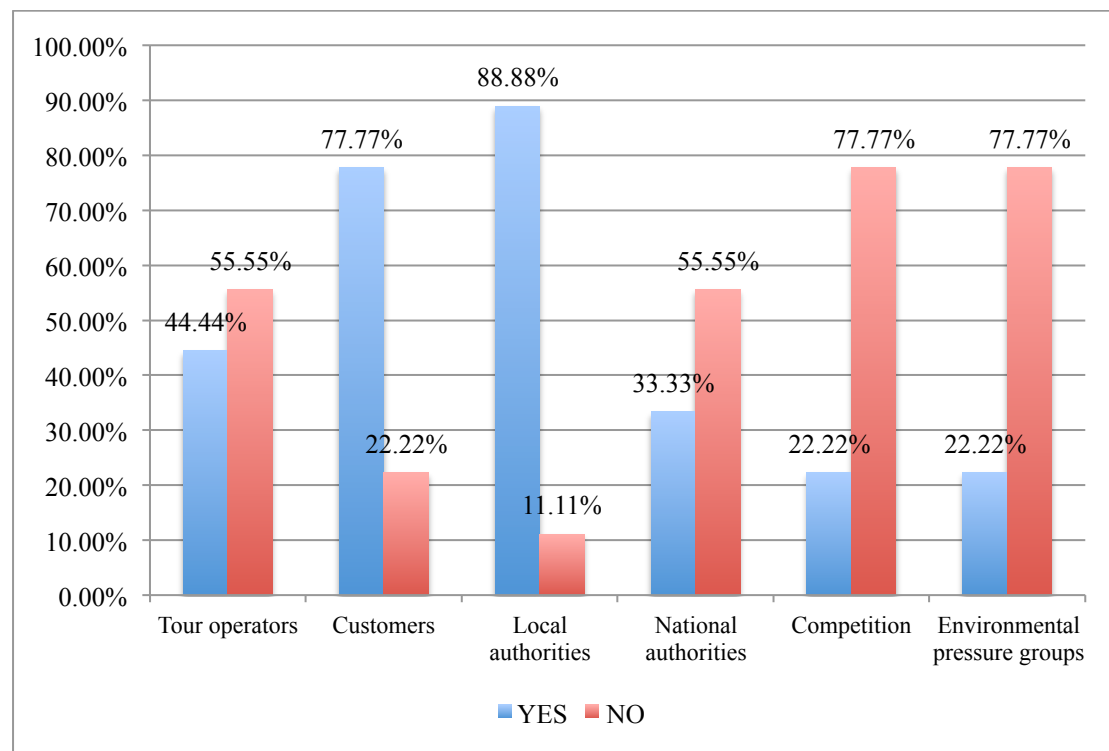
The transition towards sustainable development has its impacts on the organization that implements them. One of the most important impacts is the financial one, which measures the resistance of the business to the constant changes. 33.33 percent of the businesses questioned, did not face any change in their financial figures, 44.44 percent of them benefitted financially from the establishment of sustainability practices and 22.22 percent of them were benefitted considerably.

Question 9: What kind of difficulties did you face while or after the implementation of sustainable practices?



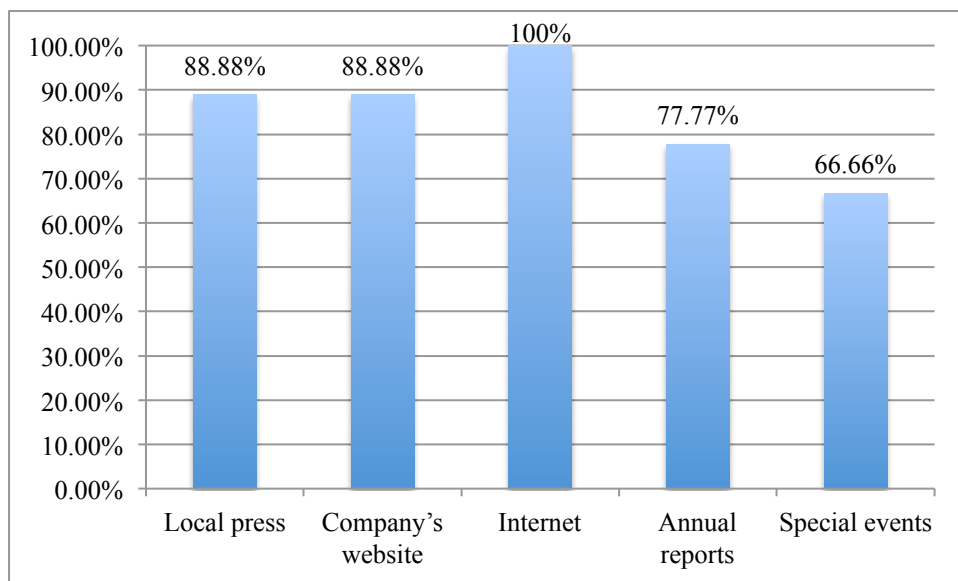
Following the implementation of sustainable practices, businesses face several difficulties, since the procedure might cost timely and financially and some functions need to adapt to the new status quo. One of the most common difficulties faced is the strict regulation and its surrounding bureaucracy (66.66 percent). 22.22 percent of them responded that some other kind of difficulty was the one that they faced, but they did not specify its origin or nature. Finally, only 11.11 percent faced some form of economic difficulties during this process.

Question 10: Check whether you have made public your efforts towards sustainable development to:



Following the integration of sustainable development practices, businesses make it public in order to inform different target groups and to obtain a competitive advantage. 44.44 percent of the firms asked allow tour operators knowing about their shift towards sustainability and 55.55 of them not. 77.77 percent focuses directly on customer awareness and 22.22 percent of them do not consider doing this. 88.88 percent informs local authorities about their sustainability practices, since they promote such efforts, in contradiction to the 11.11 percent, which does not act correspondingly. 33.33 percent of hotels choose national authorities as a mean to notify these efforts and 55.55 percent do not accept it as a way of their promotion at all. 22.22 percent of the hotels do let their competitors know about their practices and 77.77 percent do not. Lastly, 77.77 percent choose not to be promoted towards environmental pressure groups and 22.22 percent of them act otherwise.

Question 11: In case of a positive answer, please check the reporting means you use.



Promotion is one of the most helpful tool a hotel business can use in order to let the people know its contribution in the sustainable development of the region. 88.88 percent of Thessaloniki's five star hotels prefer local press (88.88 percent) and their company's website (88.88 percent) in order to report their efforts towards sustainability. Consequently, Internet advertising means seem to be the most common way of promoting actions. 77.77 percent gives away annual reports of their actions and 66.66 percent organize special events, such as presentations, annual galas and so on, in order to inform the public about their actions.

5. Interpretation of findings (Discussion)

Following the collection of the data and the analysis of the given answers, discussion has arisen concerning the obtained findings. It is obvious that sustainable development as a term is emerging and should be seriously taken into consideration by all tourism entities. Thessaloniki's five star hotels managers are well aware of this soaring trend, integrating sustainable practices that support the community as a whole, however this is not enough.

The practices that should be integrated by five star facilities are divided into three different categories: economic, environmental and societal. Hotel managers, having a limited and finite number of resources, try to integrate sustainability measures and contribute to the development of the company and the flourishing of the local community. The most common economic practice that is being implemented by five star hotels in the region of research is the provision of benefits (e.g. health insurance and overtime payment) to hotels' staff members, which consist of key job elements that become scarcer not only in national but in international level. Five star hotels prefer local suppliers, which reduce the general costs and induce the development of the local society.

The findings indicated that the participating five star units implement the chain of sustainable waste management (avoid, reduce, reuse and recycle) and their facilities are well equipped with energy saving infrastructure, such as LED lighting and double pane windows. This way they manage try to minimize potential energy and water footprint and take a step in using renewable energy.

Furthermore, hotels biggest asset is their staff members (no gender discrimination was observed), who mainly come from the local society. It is remarkable that people with disabilities receive equal treatment in matters of employment opportunities in five star hotels in Thessaloniki, a phenomenon showing that businesses are not indifferent towards these particular categories of the population. Training on the other hand is an invaluable tool in order to achieve better implementation of such practices, since sustainability is a constantly developing field.

Competitiveness, efficiency, responsible entrepreneurship, customer sales and loyalty are elements that enhance the establishment of sustainable development practices, providing them with the urge to meet the expectations of the highly competitive hotel sector.

It is needs to be taken into consideration that willingness of the managers to introduce sustainable practices is inadequate for a successful sustainable policy. Available infrastructure and well-trained personnel play a key role to the integration and maintenance of the established measures. In spite of being aware of the importance of the aforementioned factors, managers allow the financial situation of the country, affect the implementation programs of these practices. Cutbacks in the training programs for staff members, which will reduce the cost of the business, are commonly observed.

The establishment of sustainability practices was proved beneficial to the operations that dared their implementation however; reports of the problems they encountered while and after it are additionally being mentioned in this research.

Publicity of their sustainability tasks, enhancing their reputation and enlarging their clientele, is mandatory for five star hotel businesses. The means mostly preferred in order to promote the implemented practices, concern the updating of either the local authorities of their customers directly. Information of other competitive operations, environmental pressure groups and other non-governmental organizations, is usually absent. The majority of the businesses focus their actions directly on the customers, using the local press, their websites and organizing special events, such as annual gatherings and presentations.

At this point, it needs to be stressed that the executives of five star hotels were very cooperative for the needs of the study, making their concern about sustainability issues obvious. The new economic, social and environmental standards that have been established in Greece the last years, seem to orientate and affect, directly or not, their operations.

A correlation between the sustainable measures taken by five star units and the affection of the bottom-line of their operations is present. As a result, it would be beneficial for the hotel business to reduce its costs and consequently reduce drastically its environmental footprint.

Furthermore, a strong relationship between the size of the hotel and its compliance with sustainability principles was observed. The bigger the hotel unit, the higher the amount of practices it integrated in its operations was.

It is remarkable that hotels parts of global hotel chains willingly responded to this research providing invaluable information concerning integrated policies similar to those implemented by the “mother” company.

6. Conclusion

Sustainability is considered nowadays an urging issue that promotes significant alterations in the wide variety of business sector.

The goals of this dissertation can be summarized in the following 5 major points:

- The ascertainment of awareness of the five star hotel executives concerning sustainable development issues
- The clarification of whether five star hotels in Thessaloniki already implement any form of sustainable development practices or if they intend to do so in the future
- The transition to sustainable practices from the five star hotel managers perspective
- Ascertainment of the level of compliance of five star hotels in Thessaloniki according to the three pillars of sustainability and how much they were benefitted from this transition, and
- Possible difficulties they faced during the implementation of such practices.

Processing of the obtained answers indicated that hotel executives are highly aware of the soaring trend of the integration of sustainable development practices in their operations and that they already implement several kinds of economic, social and environmental practices. Their goal is to increase the efficiency of their businesses, to attract more loyal customers and to engage in responsible entrepreneurship.

Additionally, due to the current financial situation of the country, five star hotels cutback both training programs and the implementation of new breakthrough technologies, which are considered as essential tools for the transition to sustainability practices. This trend lays on their general effort of saving costs. However, implemented sustainability means seem to be advantageous for the businesses in the long run, despite the difficulties being faced during or after their implementation. Finally, the integration of such practices is made public mostly towards the local authorities, the customers and the tour operators, using the Internet, the local press and the company's website and rarely towards the competitor businesses, the environmental pressure groups and the national authorities.

These responses promote and come in accordance with the three pillars of sustainable development in the area of Thessaloniki and have a major contribution to the development of the whole surrounding region.

Sustainability practices are worldwide adopted in order to improve the function of the respective businesses as well as the local and national economy of a country. The conduction of this research indicated that tentative steps are being gradually made, aiming to improve the operation of the hotel business sector on a local basis. However, a wider research is mandatory in order to ascertain the intensity of application of sustainable practices on a national level. Additionally, further information concerning the advantages following the implementation of such measures is required. This will lead to a higher motivation of integrating them to the basic structure of the hotel sector and will reassure the advance of the Greek economy in the future.

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8. Appendices

I. Questionnaire



INTERNATIONAL
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School of Economics,
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Konstantinos Karanikolas

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Dear Madam / Sir,

Upon the completion of the post-graduate program of the International Hellenic University in the field of Sustainable Development, through my dissertation I investigate the integration of sustainable practices in Greek five-star hotels from the perspective of the managers.

Theoretically, sustainable operations provide an economic, environmental and social advantage to hotels and potentially provide a powerful marketing tool.

The aim of the attached questionnaire is firstly to monitor the degree to which the managers of five star hotels of our city consent to, or disagree with, the aforementioned notion and secondly to identify and analyze the parameters that support their position.

The completion of the questionnaire is estimated to less than 10 minutes. Expectedly, its content is confidential and will be used strictly for academic purposes.

Question 1: Are you familiar with the term “sustainability”?

YES	NO
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Question 2: Does your hotel operations integrate sustainability practices?

YES	NO
-----	----

Question 3: What sustainability practices has your hotel integrated in its operations?

Please check from the selected. If other, please specify.

Economic practices	Integrated	Plans to integrate
Enhancement and distribution of economic value (employee wages and benefits, taxes to government, community investments and so on.)		
Report risks and opportunities		
Spending on local suppliers		
Benefits to employees (health insurance, annual leave, bonuses, overtime payment and so on.)		
Other (Please specify):		
Environmental practices	Integrated	Plans to integrate
Implementation of chain of sustainable waste management, i.e. avoid > reduce > reuse > recycle		
Placement of recycling bins bearing clear instructions		
Clear instructions to visitors and staff members about recycling		
Energy and water consumption minimization		
Use of renewable energy (solar power, wind power)		
Use of energy saving equipment (LED lighting, switch lightning off during daylight, installation of double pane/ shadow windows and so on.)		
Other (Please specify):		

Social Practices	Integrated	Plans to integrate
Hiring local staff		
Hiring people with disabilities		
Gender equality in work opportunities		
Training of the employees		
Appropriate facility services for the disabled		
Donations to community groups		
Corporate Social Responsibility policies		
Other (Please specify):		

Question 4: If your hotel does integrate sustainable practices, what has led you to adopt them? Please check any fields that apply to your case.

Be more efficient and competitive	
Engage in responsible entrepreneurship	
Increase financial return and reduce the risk for shareholders	
Attract and retain employees	
Improve customer sales and loyalty	
Grow supplier commitment	
Strengthen community relations	
Contribute to environmental sustainability	
Other (Please specify):	

Question 5: To what extent do you believe your business contributes to the local economy, environment and society? Please choose.

1=Not at all, 2=Not really, 3=Undecided / Neutral, 4=Somewhat, 5=Very much

Economic contribution				
1	2	3	4	5
Environmental contribution				
1	2	3	4	5
Societal contribution				
1	2	3	4	5

Question 6: Is your hotel's infrastructure in position of efficiently supporting the implementation of sustainable practices?

YES	NO
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Question 7: Is the personnel trained enough to support sustainability practices?

YES	NO
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Question 8: The establishment of these sustainability practices in your business was _____ in financial terms. Please choose from the following.

Very disadvantageous	
Disadvantageous	
Neutral	
Advantageous	
Very advantageous	

Question 9: What kind of difficulties did you face while or after the implementation of sustainable practices?

Economic difficulties	
Regulation- Bureaucracy	
Stakeholder demands- cooperation	
Other (Please specify):	

Question 10: Check whether you have made public your efforts towards sustainable development to:

	Yes	No
Tour operators		
Customers		
Local authorities		
National authorities		
Competition		
Environmental pressure groups		

Question 11: In case of a positive answer, please check the reporting means you use.

Local press (newspapers, magazines, radio, television, and so on)	
Company's website	
Internet	
Annual reports	
Special events (presentations, organization of galas and so on)	
Other (Please specify):	

Thank you for your time.